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THE 1965 WESTERN EUROPE AGRICULTURAL SITUATION

U.S. DEPARTMENT OF AGRICULTURE
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TIME REFERENCES

Statistics refer to a calendar year unless otherwise indicated. When split year (July 1 to June 30) data are used, they are identified with a diagonal stroke such as 1962/63. Hyphens, such as 1956-60, indicate averages for several years.

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Agricultural Situation



SUMMARY

Western Europe's economic growth continued at a rapid pace in 1964, although inflation and balance of payments remained serious problems. The rate of growth of the real gross national product was 5 percent or more in 11 out of 16 countries. In a majority of countries growth exceeded the 1963 rate by a substantial amount. The combined real product of the European Economic Community (EEC) grew at a rate of about 5.5 percent compared to 4 percent in 1963. 1/ The cost-of-living index rose, but wages in most cases advanced faster.

By the end of 1964 the EEC had put about 85 percent of its farm products under its Common Agricultural Policy. Rice, beef and veal, and milk and milk products were brought under the common organization of the market during 1964. The Common Market's long delayed decision on unified grain prices was finally reached in December 1964. In May the EEC negotiated a 3-year trade agreement with Israel, and on December 1, the EEC-Turkey association became effective. The second Convention of Association between the EEC and the associated African and Malagasy States (18 independent countries) became effective June 1.

During 1963 and 1964, trade barriers on industrial products inside the European Free Trade Area (EFTA) market were further reduced to 40 percent of their 1960 level. EFTA is scheduled to become a single market for industrial goods by the end of 1966.

In May 1964 the Kennedy Round of trade negotiations, under the General Agreement on Tariffs and Trade (GATT), opened in Geneva. U.S. agriculture has a big stake in these negotiations which will affect the access of many U.S. farm products to foreign markets, particularly to the EEC and EFTA.

Agricultural policies in Western Europe have been heavily influenced by the problems of small-scale farmers. Although consolidation of farms is taking place and the number of small farms is declining in most West European countries, in some cases rather rapidly, there is still a heavy concentration of farms in the very small category.

Agricultural production in Western Europe in 1964/65 increased to a record level, about 1 percent above the previous high a year earlier. 2/ The record output reflects generally good

1/ See table 3 for economic and demographic data.

2/ For statistics on the production of crops and livestock, see tables 4 and 5.

Table 1.--Western Europe: Indices of agricultural production, total and per capita, by countries, 1961/62-1964/65 1/

(1952/53-1954/55 = 100)

Country	Total				Per capita			
	1961/62	1962/63	1963/64	1964/65	1961/62	1962/63	1963/64	1964/65
	<u>2/</u>	<u>3/</u>	<u>4/</u>		<u>2/</u>	<u>3/</u>	<u>4/</u>	
Austria	127	136	137	139	125	132	133	134
Belgium	118	125	123	125	113	119	116	117
Denmark	118	120	115	118	112	113	107	109
Finland	132	121	133	136	122	112	121	122
France	124	127	132	133	114	115	117	117
West Germany	113	128	133	131	103	116	118	117
Greece	136	134	151	160	126	124	140	147
Ireland	113	108	114	115	118	112	118	119
Italy	124	119	115	117	118	113	108	109
Netherlands	130	134	130	129	117	119	114	112
Norway	106	101	107	109	99	93	98	100
Portugal	120	130	127	121	115	124	120	113
Spain	110	123	129	124	103	114	119	113
Sweden	93	92	95	96	89	87	90	90
Switzerland	118	124	121	125	104	106	100	102
United Kingdom	117	121	119	124	112	115	113	116
Total	118	123	125	126	111	114	115	115

1/ Excludes food produced from imported feed. 2/ Revised. 3/ Preliminary.

4/ Forecast.

weather, except in Spain and Portugal, and advancing technology. The greatest production increases occurred in Greece, the United Kingdom, and Switzerland. There were sharp decreases in Portugal and Spain, and smaller drops in West Germany and the Netherlands.

Wheat production, estimated at 42.8 million metric tons, has been exceeded only once, in 1962. Yields averaged about 9 percent above 1963. Barley production reached a record level as yields increased. Production of olive oil in the Mediterranean countries declined nearly 45 percent from 1963/64. Cotton acreage and production were down in both Greece and Spain. Pork production reached a record high in Western Europe in 1964. Beef and veal production declined from 1963 due mainly to the reduction of herds in the northern countries by heavy slaughter during 1962/63. Production of rice, eggs, poultry, and sugar increased in 1964. Production of potatoes and milk declined.

During 1962 and 1963, Western Europe's total agricultural imports were \$18.0 billion and \$19.4 billion, respectively. 3/ U.S. farm exports to Western Europe in 1963 increased slightly and totaled \$2,014 million compared with \$1,987 million in 1962. In 1963, as in other

3/ For statistics on trade, see tables 6, 7, and 8.

years, feedgrains comprised the largest share of these exports, followed by tobacco, oilseeds, cotton, fruits, wheat and flour, oilcake, animal fats, vegetables, and vegetable oils.

U.S. agricultural exports to Western Europe in 1963/64 were also up substantially from the previous year, totaling \$2.2 billion. There were increased shipments of meat and other livestock products, poultry (except broilers and fryers), wheat, cotton, soybeans, tallow, tobacco, vegetable oils, etc.

ECONOMIC SITUATION

Western Europe's economic growth continued at a rapid pace in 1964, despite a number of serious problems, brought about mainly by inflation and balance-of-payments difficulties. The rate of growth of the real gross national product was 5 percent or more in 11 out of 16 countries. In a majority of countries, growth exceeded the 1963 rate by a substantial amount. The combined real growth product of the European Economic Community (EEC) in 1964 grew at a rate of about 5.5 percent compared to 4 percent in 1963 and 5 percent in 1962. The greatest increases in the growth rate over the previous year occurred in Denmark, Finland, and West Germany. The growth rate in Greece, which was 7.4 percent in 1963, declined slightly in 1964, while in Italy it declined from 4.8 percent in 1963 to 3.0 percent in 1964. The rate of growth in the United Kingdom was at about the 1963 rate of 2.9 percent.

Inflation remained a serious problem throughout Western Europe. By the end of September 1964, the cost-of-living index was from 2 to 10 percent higher than a year earlier in nearly all countries. The greatest increases were in Spain and Finland, where the cost of living was up 10 percent, followed by Ireland, Norway, Italy, and the Netherlands which reported increases of 6 percent or more. There was a 2 percent increase in West Germany and a 3 percent rise in France and Switzerland.

Wages also continued to rise, and for those countries for which data are available, wages went up considerably faster than the cost of living. For example, by the end of the second quarter of 1964, compared with a year earlier, wages rose 17 percent in the Netherlands, 15 percent in Italy and Ireland, and 12 percent in Austria. Wages rose less in other countries, but increases of 5 percent or more occurred in all the countries for which data are available.

Europe has had a substantial and growing deficit in its merchandise trade balance for more than 2 years. However, overall international payments have been favorable and at the end of the third quarter of 1964, total reserves of West European countries increased 5 percent from a year earlier. Only the United Kingdom, Italy, and Greece reported lower reserves.

Italy and the United Kingdom had particularly difficult balance-of-payments problems during 1964. In March 1964, an emergency credit of \$1.2 billion was provided Italy by the United States, the International Monetary Fund, and some European central banks.

One of the first actions by the United Kingdom's new Government was to impose a 15 percent surcharge on imports, except for food, unmanufactured tobacco, and basic raw materials. Soon thereafter, it raised the key "bank rate" for loans from 5 to 7 percent. The Bank for International Settlements and 11 countries made arrangements to provide the equivalent of \$3 billion to support the United Kingdom's defense of the pound sterling. This was in addition to a drawing by the United Kingdom of \$1 billion from the International Monetary Fund. These actions were prompted by an estimated \$2.26 billion balance-of-payments deficit in 1964.

AGRICULTURAL PRODUCTION

Agricultural production in Western Europe in 1964/65 again increased to a record level, with the index of net agricultural output forecast at 126, 1 point above the previous high a year earlier. The record output reflects generally good weather and advancing technology. The greatest production increases occurred in Greece, the United Kingdom, and Switzerland. There were sharp decreases in Portugal and Spain, due primarily to very dry weather and low off-year production of olives, and a smaller drop in West Germany and the Netherlands.

Crops seeded during the fall of 1963 got off to a good start, as weather conditions were generally favorable and fall growth was excellent. The winter of 1963/64 was mild, with little or no damage to the fall-seeded crops. During the growing season for the small grains and early fruits and vegetables, moisture conditions were good, except in drought-stricken Spain and Portugal, with only spotty damage elsewhere from dry, hot weather. The early crops were also favored by excellent harvesting conditions; the quality of the harvested grain was better than average. Pasture conditions were generally good but began deteriorating by late summer in most countries. As the season progressed, some of the late crops, particularly corn, late potatoes, root and fodder crops, suffered from the hot weather and lack of moisture.

Wheat production in 1964, estimated at about 42.8 million metric tons, was 15 percent above a year earlier, and has been exceeded only once, in 1962. While the area increased about 1 million hectares from 1963 to 1964, yields were about 9 percent above 1963, reflecting the favorable weather conditions during the entire growing season. Larger crops were reported by all countries except Portugal and Spain. Production in France, which accounted for nearly one-third of West European output in 1964, was up over 3 million tons. The most spectacular gain has been in Greece, where production in 1964 is estimated at a record 2 million tons compared with an average of 1 million tons during 1950-54. West Germany and the United Kingdom also had a record crop in 1964. In contrast with 1963, the quality of the grain harvested was excellent, reducing import needs mainly to hard wheats for blending.

The production of rye, which has been trending downward in recent years, was up 8 percent from the sharply reduced crop of 1963, but was still about 8 percent below the 1950-54 average. The increase in 1964 was due entirely to higher yields; acreage was about the same as in 1963. West Germany is the principal producer of rye, accounting for 59 percent of total Western Europe output.

Barley production reached a record level of about 28.4 million metric tons despite a slightly smaller acreage. Increased output in Denmark, West Germany, and the United Kingdom more than offset the declines in France (which vies with the United Kingdom as the largest producer of barley) and Spain. The production of oats continued its downward trend in 1964. Acreage declined 4 percent from 1963 and 34 percent from the 1950-54 average.

Corn for grain is produced in only a few countries of Western Europe and, unlike the small grains, output was sharply lower in 1964 due to the late-season hot, dry weather. Production in France, one of the major producers of corn, totaled nearly 2 million tons and was about one-half as large as the 1963 crop. However, Italy had a record crop of nearly 3.9 million tons. The production of rice, not influenced as much by the weather, was higher in 1964 and only slightly below the 1950-54 average. Italy produces about one-half of the rice in Western Europe.

The production of potatoes was off quite sharply in 1964 due in part to the late season drought, but also to reduced acreage. Since in many countries, potatoes, especially the late crop, are an important livestock feed, the demand for grains will be up. The production of sugar beets, however, increased quite sharply and because of generally favorable fall weather, the production of sugar will be higher in most countries. Only three countries produce cotton in Western Europe--Greece, Italy, and Spain. Both acreage and production declined in 1964.

Tobacco production in 1964 was about the same as in 1963 but considerably above the 1950-54 average. Last year was the off year for olive production and as a result, the production of olive oil in 1964/65 will be nearly 45 percent below the 1963/64 level. Nearly all of the production is accounted for by the four southern countries of Greece, Italy, Portugal, and Spain. Other oilseeds are produced in Western Europe; however, they account for only a small part of total production.

The production of fruit was about the same as in 1963. Apples and pears are the principal fruits produced, but grapes are important in the southern areas of West Germany and France, and in Greece, Italy, Portugal, and Spain. The 1964 wine crop will be not only relatively large but also of vintage quality. The production of raisins is an important use of grapes in Greece and Italy.

The production of citrus declined in 1964 due mainly to smaller output in Italy, where a rather severe, late-season storm destroyed a reported 100,000 metric tons of the Sicilian orange crop.

Red meat production totaled 13.9 million tons in 1964, slightly above the 1963 level. The increase in pork and lamb and mutton production more than offset the decline in beef and veal production.

The production of pork reached a record level in 1964 with most countries reporting increased output. During the first half of 1964 there was a shortage of pork in many countries. However, by the middle of the year, production increased and by the end of the year, supplies were more than adequate. The production cycle appears to be reaching its peak simultaneously in most countries, and supplies will be very large during most of 1965.

Beef and veal production, at a very high level during 1963 because of heavy culling and slaughter due to the severe winter of 1962/63, declined in 1964. However, it is expected to increase slightly in 1965. Most countries in Western Europe had shortages of beef and veal in 1964 due to reduced domestic supplies, increased demand, and limited supplies from normal overseas suppliers. Cattle numbers are increasing in most countries; this further reduces the supply of beef. There is also some indication that veal calves are being slaughtered at heavier weights, which also reduces supplies in the very short run. The European beef and veal situation is further aggravated by the fact that a large part of its supplies comes from its dairy herds which have been reduced due to depressed prices of dairy products and growing shortages of farm labor. This situation is likely to continue for some time.

In 1964, Italy apparently had the most acute beef and veal shortages. Unable to import enough beef and veal and live cattle for slaughter from its usual suppliers, Italy turned to the United States for fairly substantial imports of veal calves and feeder cattle.

The production of lamb and mutton increased only slightly in 1964. Poultry meat production continued its upward climb in 1964. Because of the lack of reliable production data for many of the important producing countries, the level of output is uncertain. However, most of the increase in Western Europe has been in the production of broilers.

The production of most manufactured dairy products and eggs was also higher in 1964. However, milk production probably declined slightly. Butter supplies, which were generally short in 1964, will continue tight in 1965.

The production of hay, root, and fodder crops declined slightly in 1964 due to the hot, dry weather late in the summer and fall. But most countries report that supplies will be adequate to carry their livestock through the winter. Nevertheless, more supplemental feed may be required this winter than in 1963/64.

AGRICULTURAL TRADE

RECENT DEVELOPMENTS

U.S. agricultural exports to Western Europe increased to a record level of \$2.21 billion in 1963/64, 15 percent above a year earlier and 10 percent above 1961/62. There were increased exports of wheat and flour, cotton, tobacco, oilseeds, animal fats, poultry, other meat, hides and skins, and dairy products. The sharp increase was partly the result of the reduced and poor quality European wheat crop in 1963, the increasing demand by West Europeans for meat and other products, and the rebuilding of stocks of cotton, etc. U.S. agricultural exports to the EEC advanced to \$1.32 billion, a gain of nearly one-fourth over the preceding year. Exports of commodities both subject and not subject to EEC's variable levies rose.

In 1963, U.S. agricultural exports to Western Europe rose to \$2.01 billion, nearly 8 percent above the 1956-58 average, as shipments of feedgrains, oilseeds, oilcake and meal, poultry meat, and fruits and vegetables rose sharply. U.S. exports of farm products to the EEC rose 16.4 percent from the 1956-58 average to \$1.2 billion in 1963. U.S. agricultural exports to the EFTA countries, which have shown little change in the last few years, amounted to \$648 million in 1963.

Western Europe's trade in agricultural products is increasing. Between 1960 and 1963 agricultural exports, including intra-European trade, rose from over \$6.0 billion to \$7.5 billion while agricultural imports went from \$17.0 billion to \$19.4 billion. The most important agricultural exports of West European countries in 1963 continued to be fruits and vegetables, meat and meat preparations, dairy products and eggs, and cereals and cereal preparations. Trade in live animals increased sharply from 1962. In addition to the products listed above as exports, oilseeds, natural fibers (particularly cotton), tobacco, hides and skins, tropical products, and fats and oils are important agricultural imports.

Between 1960 and 1963 total exports, including intra-European trade, increased 23.5 percent--from \$50.2 billion to \$62.0 billion and total imports increased 28.3 percent--from \$55.8 billion to \$71.6 billion. In the same period agricultural exports increased 25 percent and agricultural imports 14 percent.

The EEC is the most important region in Western Europe in terms of value of both total trade and agricultural trade. In 1963, the EEC countries accounted for over 60 percent of the

value of total West European exports and over 58 percent of imports. From 1960 to 1963, these countries increased their total exports 26 percent and total imports 36 percent. In this period, intra-EEC trade increased about 50 percent. EEC exports to the EFTA countries rose 38 percent. EEC exports to its Associated Overseas Countries and Territories, however, declined 18 percent whereas imports rose 14 percent. EEC exports to the United States for the same period rose from \$2.24 billion to \$2.56 billion, or 14 percent, whereas imports increased from \$3.83 billion to \$5.04 billion--an increase of 31 percent.

The EFTA countries account for a substantial share of West European trade--35 percent of total exports and 37 percent of total imports in 1963. EFTA trade has also been increasing rapidly, but not as fast as EEC trade. Between 1960 and 1963, EFTA exports, including intra-EFTA trade, rose 19 percent while imports went up 14 percent. Intra-EFTA trade increased about 28 percent while EFTA exports to the EEC increased 33 percent and imports from the EEC were up 21 percent. During this same period, imports from the United States declined 7 percent while exports to the United States increased 12 percent.

OUTLOOK FOR 1964/65

In 1964/65, U.S. agricultural exports to Western Europe probably will decline slightly from the high level a year earlier.

Western Europe's imports of wheat and flour will decline sharply and probably will be restricted mainly to strong wheat for blending, because of increased output of good quality wheat in most countries. Imports by Spain and Portugal will be higher; however, U.S. exports may face increased competition from other suppliers, especially France, which by the end of December still had an exportable surplus of over a million tons. Italy and Sweden also have larger surpluses for export.

Because of increased demand and reduced production of feedgrains and other feeds in 1964, Western Europe probably will increase its imports in 1964/65. The most important feedgrain markets will be the United Kingdom, the Netherlands, Italy, and Spain. Spain, due to poor crops and increasing demand, is expected to import substantially larger quantities than in 1963/64. Some of the other West European countries may import less.

U.S. exports of rice to Western Europe will probably not change significantly from 1963/64.

U.S. exports of oilseeds and oilseed products to the region will be higher due to increased demand and the reduced olive oil crop. Spain, which imported a small amount of vegetable oils in 1963/64, will be an important market in 1964/65. Portugal, for the first time, may import significant quantities of U.S. soybean oil. U.S. exports of oil cake and meal will continue to expand as the production of livestock products increases. Exports of soybeans will also be higher. Western Europe's demand for imported butter probably will remain strong. The United States may face increased competition for lard, tallow and greases from increased European production, although European demand will remain strong.

U.S. exports of pork and pork variety meats to Western Europe will face strong competition and may decline due to sharply rising production in the region. The West European beef market will continue to be attractive to exporters. However, the United States does not produce in excess the kind of beef for which there is the greatest demand in Europe, and for various

reasons the United States may find it difficult to offer the Europeans much beef at prices competitive with other suppliers. Therefore, U.S. exports of beef to Western Europe, usually very small, probably will change little in the next year; however, the demand for beef variety meats will continue strong. U.S. exports of poultry meat, which recovered somewhat in 1963/64 from the low preceding year, are likely to decline slightly due to the continuing increases in West European production, and also due to the effect of the EEC levies.

U.S. exports of fresh and processed citrus to Western Europe probably will decline, both because of short U.S. supplies and high prices and because of increased supplies in the Mediterranean region. However, expanding European use of grapefruit will probably sustain U.S. export volume despite larger competitive supplies. Larger Mediterranean summer lemon crops and lower European lemon prices will probably reduce the U.S. summer lemon export volume. U.S. exports of fresh and canned deciduous fruit may increase due to reduced West European supplies and increasing consumption. U.S. exports of raisins and prunes to Western Europe will probably increase as U.S. supplies are large and prices somewhat lower than last year.

U.S. exports of vegetables and preparations to Western Europe, which declined slightly from 1962/63 to 1963/64, will probably change little.

U.S. tobacco exports to the region, which increased sharply from 1962/63 to 1963/64, will probably decline, primarily due to a sharp rise in production and very low prices for African flue-cured tobacco. Flue-cured is the most important tobacco entering world trade. There was also some buildup of stocks of U.S. tobacco in some markets in 1963/64.

U.S. exports of cotton to Western Europe also may decline due to the more normal levels of stocks, which were rebuilt in 1963/64. Increased supplies from other producers will provide more competition.

COMMON MARKET SITUATION

Brief history through 1963: The European Economic Community (EEC or Common Market)--originally consisting of France, West Germany, Italy, Belgium, the Netherlands, and Luxembourg--came into effect January 1, 1958. Not until January 1962, however, was the EEC Council of Ministers (the policy-making body of the organization) able to approve the essentials of the Common Agricultural Policy (CAP) for the Community. The CAP objectives, as set forth in the EEC's basic treaty, are "to increase agricultural productivity, to insure a fair standard of living for the agricultural population, to stabilize markets and guarantee regular supplies, and to insure reasonable prices for consumers".

Rules and regulations for implementing the first phase of the CAP became effective on July 30, 1962. Commodities covered by these first regulations were breadgrains, feedgrains, pork, eggs, poultry meat, fruits and vegetables, and wine.

In late 1962 the EEC-United Kingdom negotiations occurred, climaxing in January 1963 in the decision by France against U.K. membership.

The EEC reached some agreements in June 1963 on the order of handling issues dealing with economic integration in the Community. As 1963 progressed, however, very little headway

was made on some problems. There were no EEC Council decisions on financing the Common Agricultural Policy or on the proposed marketing and trade regulations for beef and veal, milk and dairy products, and rice. Still lacking also was an EEC negotiating position for the Kennedy Round. This lack of progress, plus France's insistence that several basic decisions be made before the year's end, led to the EEC Ministerial Council's marathon meetings just before Christmas of 1963. At this time, some measure of agreement was reached on: (1) Financing the Common Agricultural Policy, (2) marketing and trade regulations covering milk and milk products, beef and veal, and rice, and (3) a negotiating posture in the Kennedy Round for both agricultural and nonagricultural products.

Events in 1964: In 1964 the EEC Council issued several rulings necessary for bringing the European Agricultural Guidance and Guarantee Fund--the financial arm of the CAP--into active operation. The guidance section of the Fund is concerned principally with long-term structural improvement in agriculture, including the marketing of agricultural products. Under the guarantee section, member states will be reimbursed for their expenditures in subsidizing exports to third countries and for expenses incurred in intervening in the domestic market.

By July 1, 1964, member states had submitted their first requests for structural aid. The amount of assistance requested, however, was far in excess of available funds. Italian requests were mainly for marketing projects. Those of the Netherlands were for land improvement, irrigation, and small commercial projects. West Germany requested assistance for water schemes and marketing, while France wanted help for land improvement.

Although a number of implementing measures are still required, progress has been made on the Fund's guarantee section. Member states now know which of the basic agricultural products covered by the first Community-wide market regulations--including cereals, pork, poultry, and eggs--are eligible for export subsidy refunds. It was also decided that the Fund could be used to reimburse member states on: (1) Losses resulting from the sale of wheat (excluding durum) and rye for feed, and (2) losses caused by carrying over domestic grain stocks, acquired by intervention, from one marketing year to the next.

Market regulations: Three major marketing regulations became effective in 1964: Rice on September 1; and milk and dairy products and beef and veal on November 1.

The rice regulation is similar to the regulation for other grains but distinguishes between the rice producing members (France and Italy) and other member states. Imports will be controlled by the levy system with a single threshold (minimum entry) price. A preference is given to Community-produced rice.

By the end of a transition period a common price for milk--as yet undetermined--will have been arrived at through a gradual bringing together of national target prices. A levy system is to be applicable to trade between member states as well as with third countries. A price and intervention system will also be in operation. The November 1 regulations do not cover the fresh milk market. The EEC Council of Ministers is to adopt a regulation for the fresh milk market by July 1, 1965.

The beef and veal regulations provide for target prices, determined nationally, through the 1965/66 marketing year. At the end of that time, target prices are to be set by the EEC Council and price unification may be achieved before the end of the transition period. Intervention

prices are set at a level of 93 to 96 percent of the target prices. Domestic producers will be protected against outside suppliers primarily by import duties, although variable levies may be used on certain occasions. Import quotas relative to bilateral agreements will be discontinued. Frozen beef imports from all sources will require import licenses.

The EEC Commission has proposed that the Council of Ministers strengthen the existing fruit and vegetable regulations which came into effect on January 14, 1962. Proposals include the introduction of an intervention system, the establishing of producer cooperatives, and the setting of rules for imports from third countries.

Proposals are now under consideration for a common sugar policy. There has also been discussion of a common policy for tobacco and wool. Regulations for the standardization and production of quality wines are in preparation. Fats and oils will also be brought under a common policy.

Association and trade agreements: Greece and Turkey are associate members of the EEC. Austria has requested EEC association, and exploratory talks have been conducted with Spain.

The EEC has carried out talks with Nigeria. In October 1964, the Commission was given a mandate by the Council to open association negotiations with Kenya, Tanzania, and Uganda.

The second Convention of Association between the EEC and the associated African and Malagasy states (commonly referred to as the Associated Overseas States or AOS), became effective in June 1964. The rules on tariff preferences were changed from the first Convention of Association. Member nations were to apply immediately the Common External Tariff to a limited number of tropical items (e.g., pineapple, coconuts, vanilla, cocoa beans) but admit imports from the associated states duty free.

The associated states will benefit from the gradual elimination by the EEC of duties and quantitative restriction on most of their products. The Convention also states that the prices of the EEC's imports from the associated states will be gradually reduced to world market prices from the higher franc zone prices.

The Convention established the timetable and procedures the associated states will use in eliminating tariffs and quantitative restrictions against the six EEC countries. Certain import restrictions, however, may be retained (or established) for purposes of industrialization and development, balance-of-payment reasons, and market development.

Financial aid from the EEC to AOS and the dependent territories will total \$800 million during the June 1964 to 1969 period of the second Convention--as against \$581 million under the first Convention--and will come largely from the Development Fund.

The EEC in April 1964 initiated its second 3-year commercial agreement with a non-member country--Israel. The first such agreement was made with Iran in October 1963. The EEC-Israel agreement granted tariff concessions on about one-fourth of Israel's exports to the Community, mostly textiles and chemical products. The customs duty on grapefruit was reduced by 40 percent, but no concessions were given to oranges. The concessions to Iran and Israel also apply to the United States and other suppliers on a "most favored nation" basis.

The Community began exploratory trade talks with Norway in May 1964. Negotiations for a trade agreement with Lebanon also began in May 1964. Trade talks were held with Ireland particularly on EEC imports of Irish cattle, mutton and lamb, and butter. Exploratory trade talks were held with the Mahgreb States of Morocco, Tunisia, and Algeria.

Tariff reductions: Customs duties in 1964 between EEC members were substantially below their original levels--60 percent below for industrial products and about 40 percent below for nonliberalized agricultural products. Another 10 percent reduction took place on January 1, 1965.

Proposals by West Germany for an acceleration of internal tariff reductions--a 20 percent reduction on January 1, 1965, and a 20 percent reduction on January 1, 1966--failed to gain EEC approval. An accompanying proposal for a cut in the Common External Tariff--in anticipation of the results of the Kennedy Round--also failed to win approval. West Germany, acting on its own in mid-1964, made a 20 percent reduction of tariffs on imports from EEC partners and made some adjustments toward the Common External Tariff that had been planned for January 1, 1967.

The EEC Commission in October 1964 also proposed a more rapid advance in the removal of intracommunity trade barriers and the completion of the Common External Tariff. Under these proposals, the six member states would move up the timetable for establishing a Common External Tariff by a year--to January 1, 1966. The size of internal tariff cuts would also be increased, with those on industrial goods completely abolished by January 1, 1967.

The Kennedy Round: In the current series of GATT negotiations--commonly known as the Kennedy Round--a 50 percent reduction in custom duties has been accepted as a "working hypothesis". Also to be discussed in the negotiation are the removal of nontariff barriers to trade and access of agricultural products to world markets. On November 16, 1964, the EEC, along with the United States and other countries, tabled a list of industrial items they wished to exclude from the normal tariff-cutting procedure.

EEC grain prices: During December 1964, the Common Market members were finally able to agree on common grain prices. The following basic target prices (per metric ton) are to take effect July 1, 1967: Soft wheat, \$106.25; barley, \$91.25; corn, \$90.62; rye, \$93.75; and durum wheat, \$125. Durum wheat producers will receive an additional subsidy. Special arrangements are also provided for levy reductions on Italian imports of corn and barley from third countries. Some of the other decisions made during the December EEC Council meetings include: (1) Agreement to a reduction in Italy's contribution to the Guidance and Guarantee Fund, (2) more protection for fruits and vegetables produced in the Common Market, and (3) some decisions on compensation to farmers in West Germany, Italy, and Luxembourg for income losses resulting from the grain price adjustments.

The grain prices finally agreed to were about the same as those put forth by the EEC Commission in November 1963 (commonly known as the Mansholt I proposal). The prices set for corn and barley, however, are somewhat below the Mansholt proposal. This agreement results in price increases for French farmers and price decreases for German farmers. The increased prices are expected to have a stimulating effect on total grain production in the EEC, particularly in France, and will thus tend to decrease the demand for grain imports from the United States. The December agreement provides for a Council re-examination of the basic target prices before July 1, 1966. This will be done on the basis of: (1) A commission

report which will include a study of costs and prices, and (2) other commission proposals resulting from intervening developments (between December 1964 and June 1966).

The future: Economic growth in the EEC should continue strong but rates of growth may decline from present levels. Inflation is one of the EEC's continuing problems and it must be controlled if the Community is to remain competitive in world markets.

Some significant problems remain in the agricultural sector. One subject of substantial importance in the price harmonization effort is the need to equalize transportation costs for agricultural products among the various members. Another problem is the unification of prices on other agricultural commodities; France is currently pushing for common prices on meat, dairy products, and fruits and vegetables.

There are two major policy decisions remaining on the financial regulations of the Common Agricultural Policy. One decision concerns the share of expenditures on subsidies which the Guidance and Guarantee Fund must bear between mid-1965 and 1970. The second decision concerns sources of the Fund's financing during the same period.

FARM SIZE AND LOW INCOMES

The relatively low incomes of many farmers is a major social and political problem in Western Europe. A primary goal of economic policy in most countries in the region is to narrow the income gap between the agricultural and nonagricultural sectors. Farm interests have strong political representation in most of the countries; the farmers are usually well organized and politically active. The desires of farmers for economic and social stability and for participation in the general rise in levels of living have produced strong pressures for agricultural support. Agricultural policies and programs are widely justified on the basis of their expected help in raising farm income.

Governments in Western Europe have implemented their agricultural policy objectives by supporting the prices of agricultural products, providing credit to farmers on exceptionally liberal terms, limiting imports of competitive products, subsidizing exports, supporting research, and by encouraging rural educational and training programs.

One of the major objectives of the Common Agricultural Policy of the EEC is to provide a fair income to farmers. The EEC's Agricultural Guidance and Guarantee Fund, established to finance the implementation of the Common Agricultural Policy, has two main purposes as indicated by its title. However, total fund expenditures under the guidance section, which is concerned principally with structural improvements in agriculture, will be only one-third as large as those under the guarantee section, which will be used for price supports and export subsidies.

While price supports may alleviate the farm income situation in the short run, they often do not bring about the necessary long-run adaptation of creating a self-supporting agricultural sector based on viable farms capable of providing a satisfactory level of income for their operators. Also, the emphasis on price supports diverts attention and resources from other forms of action which might yield more lasting results. The main reason for low average farm incomes in Western Europe is the existence of a large number of farms whose production per man is very small. A given increase in product prices has less proportional effect on the incomes of small farms than on larger farms. Much of the low-income farm problem will

not yield to any measure other than a major recombination of scattered plots and small farms into contiguous and much larger units. At the same time, the number of farmers must be substantially reduced. However, political pressures have been such that only rarely has the desirability of substantial off-farm migration been publicly espoused by governments.

Low incomes of farmers are associated with a number of factors. Low farm incomes are usually common to regions of general economic backwardness where alternative opportunities have not drawn farmers from agriculture. Low-income farmers tend to be older and have less education than other farmers. Fragmentation aggravates the problems of small farms. The level of management is often low on low-income farms.

In all countries, within given regions, incomes tend to rise as farm sizes increase. A large proportion of Western Europe's farms are still very small--too small to make effective use of modern machinery and modern techniques--too small to provide adequate incomes for the families dependent on them. On many small farms the labor supply is excessive in relation to the availability of land and other resources.

Although consolidation is taking place and the number of small farms is declining in most West European countries, and in some cases rather rapidly, there is still a heavy concentration of farms in the very small category. In almost all countries the number of farms has decreased and the average size has grown. In some cases the breaking up of large estates into smaller holdings under land reform programs has resulted in increased numbers of farms in the smallest groups.

The fragmentation of farms into a number of separated plots is still common in all the countries except the United Kingdom, Ireland, and Scandinavia. For example, West German farmers average more than 9 fragments per operator. These conditions waste land and time and make difficult or impossible the effective use of modern equipment, and thus, they inhibit the adoption of modern technology.

The out-movement of farm labor has been primarily the movement of workers who do not own farms. For farm sizes to grow substantially, many farmers themselves must leave, and farmers are generally much less mobile than the rest of the farm labor force. Also, as many of the young people have left the farms, the farm labor force has grown older. In France in 1955, a fifth of the farm operators were over 66 years old, and only about a fourth were under 45. The older farmers do not have good opportunities for off-farm work, and they tend to be less adaptable in adjusting to technological changes.

Programs in some countries aim at increasing the mobility of farm workers in moving to nonfarm jobs. For example, Sweden, France, and the Netherlands have programs to assist those who wish to leave agriculture in learning a new trade, while providing them with financial assistance in moving to a new location and new occupation. Also, Germany, France, and the Netherlands have pension programs or special payments to assist elderly farmers in retiring as well as active programs to consolidate small holdings into larger, more viable units.

The major restructuring of the agricultural society which is required in some areas will not be easy to accomplish quickly. The age of many of the farmers and their lack of formal education make it difficult to integrate them into industry. If Europe's farm community is to secure substantially better levels of living in the near future, governments will have to place greater emphasis on correcting those basic structural defects in their agriculture that prevent its effective adaptation to modern society.

Table 2.--Western Europe: Small farms in the agricultural economy ^{1/}

Country	:	:	:	Data relating to small farms		
	:	Period	Changes in	Change	No. remain-	Range
	:	of	total number	in	ing as pct.:	in
	:	enumeration	of holdings:	numbers	of all hold-:	size
	:		:	:	ings	:
	:	<u>Years</u>	<u>Percent</u>	<u>Percent</u>	<u>Percent</u>	<u>Hectares</u>
Austria	:	1951-60	-7	-13	45	0.5-5
Belgium	:	1950-59	-21	-35	48	1-5
Denmark	:	1950-61	-1	-5	19	0.55-5
Finland	:	1950-59	+9	+2	35	2-5
West Germany	:	1949-62	-19	-29	52	0.5-5
Ireland	:	1951-60	-8	-19	24	0.4-6
Luxembourg	:	1950-62	-26	-50	20	2-5
Netherlands	:	1950-59	-5	-14	36	1-5
	:			-20	5	Less than 1
Norway	:	1949-59	-8	-10	68	0.5-5
Sweden	:	1951-61	-17	-31	29	2-5
Switzerland	:	1939-55	-14	-23	47	0.5-5
United Kingdom	:	1950-60	-10	-16	39	0.4-6
Italy	:	1961	---	---	43	1-5
	:				33	Less than 1
Portugal	:	1960	---	---	38	1-5
	:				50	Less than 1
Spain	:	1962	---	---	28	1-5
	:				36	Less than 1
	:					

^{1/} The definition of a small farm is arbitrary and not uniform in this table. The selection of the range in size was determined largely by the availability of data, particularly with reference to the lower limit.

Compiled from Low Incomes in Agriculture, Problems and Policies, Organisation for Economic Co-operation and Development, 1964.

SITUATION BY COUNTRY



AUSTRIA

Economic situation: Austria's economy continued to grow rapidly in 1964. GNP increased over 5 percent in real terms compared with 4.3 percent in 1963. Industrial production increased about 8 percent. Both exports and imports picked up sharply. Construction activity attained new peak levels while investment in equipment recovered slowly from a 2-year setback. There was a slowdown in the growth of retail sales and private consumption.

Wholesale prices and wages increased 10 percent and 8 percent, respectively. The cost-of-living index moved up about 6 points during the first 9 months of 1964. The main reason for this increase was the sharp advance of food prices--mainly meat. To combat inflation the Austrian authorities implemented measures to increase supplies by additional import liberalizations and tariff cuts, and announced steps to neutralize a portion of excess bank liquidity and to restrain credit expansion.

Austria's balance of payments for the first half of 1964 showed a surplus of \$54 million, up 30 percent from the first half of 1963. Increased earnings from tourism, by far the most important source of invisible earnings, accounted for about 85 percent of the total surplus. In September 1964, gold and foreign exchange holdings amounted to \$1.2 billion, an increase of 10 percent from a year earlier.

The contribution of agriculture and forestry to Austria's gross domestic product (GDP) has been decreasing as a share of the total. In 1963, agriculture accounted for 9.6 percent of the GDP, down from 16.5 percent during 1950-52.

Average income per person performing farm and forestry work on a full-time basis increased by 6 percent in 1963 from a year earlier to about \$820. The increasing cost-price squeeze has proved lethal for many marginal farms. In 1963, the cost of supplies, machinery and equipment, maintenance, construction, insurance, etc., advanced over 4 percent from the previous year, while proceeds from farm sales rose only 2 percent.

Agricultural policy: The broad objectives of Austrian agricultural policy, based on various government measures, are as follows:

1. To seek an early arrangement with the EEC.

2. To provide more government aid for agricultural exports.
3. To extend the basic Agricultural Act and Market Regulation Act.
4. To continue the Green Plan and provide more agricultural grants--“on a generous scale and with a high degree of objectivity.”
5. To develop a higher standard for agricultural vocational training.
6. To speed the consolidation of small farms.

Under the General Agricultural Act of 1960, funds for the “Green Plan” to finance agriculture were increased from \$7.7 million in 1961 to \$21.0 million in 1964, and to about \$26.2 million in the 1965 budget. These funds are used for the improvement of production techniques, transportation facilities, agricultural buildings, farm management, marketing programs, social welfare programs, and agricultural credit. Farm and forestry operators also receive low interest investment loans which will increase to over \$38 million in 1965. Other government assistance to agriculture has been running about \$13 million yearly. The increasing expenditures on agriculture reflect the desire to speed the process of modernization of Austrian agriculture to meet the challenge of the greater European market that Austria wishes to join.

Agricultural production: The index of Austria’s agricultural production is forecast up 2 points in 1964/65, largely due to increased output of grains, pork, poultry, and eggs.

Despite a shortage of moisture in some areas during the growing season, Austria’s total grain production in 1964 was about 9 percent larger than in 1963. Breadgrain production was up about 13 percent from the previous year, due to both an expansion in acreage and higher yields for fall-sown grains. Coarse grain output increased about 6 percent from the preceding year’s level despite reduced acreage.

Both acreage and production of sugar beets increased in 1964. However, total refined sugar production will be slightly below the previous year.

Although Austria’s early potato crop was about the same as that of 1963, the late potato harvest was about 12 percent lower due to a shortage of moisture. Since the bulk of the late potatoes is usually used as hog feed, larger imports of feedgrains in 1964/65 are expected.

Red meat production in 1964 was somewhat higher than in 1963. Pork output increased about 4 percent, and poultry meat production was up about 11 percent. Egg output was also somewhat higher in 1964. Milk production was about the same as in 1963. The hay and forage crops were reportedly satisfactory with better yields than in the preceding year.

Agricultural inputs: Since 1960, the annual rate of farm labor migration to nonfarm occupations has declined somewhat. The agricultural labor force totaled about 700,000 in 1963 compared with nearly 1 million a decade ago. The hired labor force declined from about 141,000 in 1961 to 126,000 in 1963. Farm labor productivity stands at a record 168.5 (1952-56=100).

In the first 6 months of 1964, expenditures on farm machinery rose 12 percent. From 1957 to 1963, the number of tractors and other farm implements rose rapidly.

<u>Type of equipment</u>	<u>Number of units</u>	
	<u>1957</u>	<u>1963</u>
Four-wheel tractors, all sizes	78,748	163,499
One-axle tractors, over 6 Hp.	1,656	7,918
Motor mowers	58,089	102,891
Combines, total	4,383	*18,400

* Unofficial estimate.

In 1963/64, Austria's fertilizer consumption increased 16 percent. In the past 10 years, Austrian consumption of phosphorus fertilizers has quadrupled and that of potash has increased threefold. ^{4/} The Austrian Government promotes the use of commercial fertilizers through subsidies. The aggregate amount of pure nutrients applied to Austrian soils in crop year 1963/64 was 116.4 kg. per hectare of arable land, compared with 97.1 kg. in 1962/63 and 89.4 kg. in 1961/62.

In 1963, Austria enlarged 1,300 farms which involved 3,117 hectares. The total number of holdings declined 7 percent between 1951 and 1960. Over 45 percent of Austria's farms are less than 5 hectares in size. The government plans to reorganize a total of 527,000 hectares of farmland in the next 30 years.

Foreign trade: Austria's import-restrictive measures include import permits, veterinary bans, quotas, tariffs, and equalization levies. Fixed gate prices are established on grains, livestock, and livestock products. Under authority of the 1958 Market Regulation Act, three semigovernmental marketing boards for grain, livestock and dairy products stabilize prices and control import volume. Austria has bilateral trade agreements with more than 40 countries. Under the Austrian trade liberalization measures, tariffs and "equalization" taxes on a number of items were reduced or waived in October 1964. This leaves 52 items requiring import licenses, of which 40 are agricultural products.

During the first 9 months of 1964, total Austrian imports amounted to \$1,351 million and total exports to \$1,050. The trade deficit was 12 percent more than in the comparable period in 1963. However, the trade deficit was more than offset by other sources of funds, particularly tourism revenue, and holdings of gold and foreign exchange increased.

Austria's agricultural trade relations with the EEC countries are far more close than with EFTA and other countries. In 1963, over 50 percent of Austria's total trade was with the EEC countries; the EFTA countries accounted for about 16 percent. Exports of food and livestock and forestry products to the EEC, mainly to West Germany and Italy, accounted for 87 percent of Austria's overall export sales of these items. This is the force behind Austria's agricultural bid for an early participation in the European Economic Community.

U.S. exports of agricultural products to Austria in 1963 totaled \$11.6 million, a drop of 50 percent from the 1962 level. Feedgrains, cotton, and tobacco continue to be the most important U.S. agricultural exports to Austria.

^{4/} Throughout the text, the data on fertilizer use refer to the amount of plant nutrients applied, in terms of N (nitrogenous fertilizers), P₂O₅ (phosphate fertilizers) and K₂O (potash fertilizers).

Of Austria's total import value of \$1,675 million in 1963, agricultural products accounted for about 18 percent. Imports of meat and meat preparations were up due to a shortage of home production. Imports of poultry meat rose while imports of eggs and egg products declined. Other important imports were fruits and vegetables, cereals and cereal preparations, tropical products, natural fibers, and animal and vegetable oils and fats.

Agricultural exports account for only about 6 percent of total exports and are comprised mainly of live animals, dairy products, and eggs. In 1963, exports of livestock (mostly cattle) and meat increased significantly from the previous year's level.

Outlook: Austria will probably continue to export meat in 1965 to maintain traditional markets, but the amounts exported will probably be further reduced. Austrian authorities expect the livestock shortage to continue for some time and are prepared to consider Western countries, including the United States, as sources of meat. Austria's pork imports are expected to be lower in 1965 than last year. Dairy product exports probably will decline due to the down-trend in milk production.

Austria will need to import about 550,000 metric tons of coarse grains, about 23,000 metric tons of high protein wheat, and 11,000 metric tons of durum wheat in 1965. France and Yugoslavia usually supply Austria's barley, Australia and Canada the oats, and the United States, Rumania, and Bulgaria the corn. Austria's major suppliers of quality wheat are Canada and the United States.

Austria will probably import corn and barley from U.S. sources in 1964/65 at about the same rate as in 1963/64, while some increase in imports of quality wheat and fats and oils may occur.

Total domestic requirements of fruits, particularly citrus, have been increasing. The trade liberalization in October 1964 should further increase the import demand for fruits.

BELGIUM

Economic situation: Belgium's GNP increased about 5 percent in real terms during 1964, the highest rate of increase since 1955. This compares with a rate of 4 percent in 1962 and 1963, and about 2.5 percent during the late 1950's. Belgium's economic plan called for an average annual increase of about 4 percent in GNP from 1962 to 1965.

The rate of unemployment is less than 1 percent and foreign labor is being recruited. Wages rose 8.5 percent between June 1963 and June 1964. The pressure of demand and rising wages and other costs led to a 5 percent increase in the cost-of-living index in 1964.

During the first half of 1964, Belgian exports were 19 percent higher and imports 23 percent higher than a year earlier. The trade deficit has been offset by a favorable balance in other accounts, and at the end of June 1964, gold and foreign exchange holdings of the Central Bank were \$1,950 million, an increase of \$61 million over June 1963.

In 1963, agriculture's contribution to gross domestic production was 6.6 percent, slightly lower than the 7.8 percent a decade earlier. Belgian agricultural output has shown a marked

though irregular uptrend over the past decade. Increases have been obtained with less agricultural land and a declining labor force, but with more fertilizer, machinery, applied technology, and imported feed.

Agricultural policy: In 1961, Belgium announced a revised agricultural policy with increased emphasis on land consolidation and improvement, capital investment, research on new technology and speeding the adoption of technology by increased extension and education. This policy is intended to prepare Belgian agriculture for competition with the agriculture of other EEC countries.

Agricultural production: The index of net agricultural production (excluding imported feeds) for 1964/65 is expected to reach 125, up slightly from 123 in 1963/64 but the same level as in 1962/63. The increase over 1963/64 results mostly from increased production of cereals, fruits, sugar, pork, and poultry meat. As a result of favorable weather conditions the entire growing season, most crop yields were higher in 1964. Production of eggs and milk will decrease.

The area devoted to wheat increased in 1964, but higher yields were primarily the cause of the record crop of 905,000 metric tons. About 600,000-650,000 metric tons of the 1964 crop are expected to be utilized by Belgian millers. The excess over domestic use will probably be subsidized for export to non-EEC countries, as was done the previous year. This export subsidy may cost as much as \$12 million. In 1963/64, the subsidization cost was estimated at over \$10 million.

In 1964, total feedgrain production (including rye) was 1,129,000 metric tons, 17,000 metric tons above 1963, but 67,000 metric tons less than in 1962. The acreage was 3 percent below both 1962 and 1963. To increase pork and poultry production in 1965, Belgium will require more feed concentrates. Grain import needs are estimated at about 1,450,000 metric tons for 1964/65.

Production of red meats in Belgium during 1964 was down more than 5 percent from the record year of 1963. Meat production in 1965 will probably increase about 3 percent, due largely to increased pork production. Numbers of breeding sows were up 9 percent in May 1964, but still 7 percent below 1962. Slaughter of hogs is forecast to rise 12 percent in 1965 above the 1964 level. Belgium switched from its usual position as a net exporter of pork to a net importer during 1964. However, exports of live hogs were higher than hog imports in 1964.

Cattle slaughter increased in late 1964, but domestic slaughter cattle are expected to be in short supply at least until mid-1965. In May 1964, cattle numbers were 5 percent below 1963. A 22 percent reduction in calf slaughter in the first half of 1964 probably indicates farmers are retaining calves for future breeding herds.

From April through August 1964, Belgium temporarily eliminated import restrictions and paid import subsidies on beef and live cattle to encourage beef imports. Domestic supplies were short and prices were increasing. Beef prices are included in the retail price index and certain wages are pegged to this index.

Milk production declined in 1964. The number of milk cows also declined. However, milk production per cow is increasing slightly. In 1963 and 1964, less milk was being used for butter and livestock feed, while other uses were expanding.

Poultry meat production has increased in recent years. Egg production has declined as a result of lower egg prices following the reduction of egg exports to West Germany.

Agricultural inputs: The agricultural labor force, which declined 44 percent between 1947 and 1962, accounted for 6.7 percent of the total labor force in the latter year.

Farm mechanization is proceeding rapidly. Tractor numbers increased from 48,900 in 1961 to 58,300 in 1963. Binders and stationary threshing machines have been declining in favor of combines. The number of combines increased 23 percent, while beet harvesters increased 16 percent between 1961 and 1963.

Belgium ranks high in the world in terms of the application rate of commercial fertilizer per hectare of arable land. During the 5 years ended 1962/63, Belgian farmers increased the use of N by 24 percent, and K₂O by 29 percent, while the use of P₂O₅ declined by 4 percent.

In 1959, only 9 percent of all Belgian farms were over 20 hectares, while farms under 10 hectares represented 69 percent of total farms. The average size increased from 6.9 hectares in 1950 to 8.3 hectares in 1959. During this period, the number of farms fell 21 percent, with most of the decline in farms of less than 10 hectares. About 20 percent of Belgian farmers are employed off the farm. Of these part-time farmers, about one-half are on farms of 1-3 hectares in size.

Fragmentation of farms into separate plots also hinders efficient production. Belgian farms in 1959 averaged 4.9 separate plots per farm. About 14 percent of the farms had 10 or more plots per farm, while 25 percent had 5-9 plots per farm.

Foreign trade: In 1963, agricultural exports were 10 percent of total exports, while agricultural imports constituted 18 percent of total imports. Nearly 84 percent of Belgium-Luxembourg's agricultural exports went to Western Europe in 1962, and two-thirds of the total went to EEC countries. Of their agricultural imports, 36 percent came from Western Europe, 13 percent from the EEC, and 16 percent from the United States.

Belgium's most important agricultural imports in 1963 were wool, grains, fruits, vegetables, cotton, oilseeds, and fats and oils. About three-fourths of the wool imports were supplied by Australia and New Zealand. A large portion of the wool was reexported to other European countries. Belgian cotton imports have declined in the past 3 years. The U.S. share of Belgian cotton imports declined from about one-half in 1960 and 1961 to about one-fourth in 1962 and 1963.

In recent years, Canada has supplied over half of the total wheat imports, mainly hard wheat for blending. Argentina supplied some corn and sorghum and France supplied large quantities of barley. In 1963, the U.S. share of feedgrain imports fell to 49 percent from 53 percent in 1962.

Italy is normally the leading supplier of fruits and vegetables to Belgium, while the Netherlands also supplies vegetables. The United States supplied significant quantities of citrus and processed fruits in 1963.

Belgium imported \$34 million of oilseeds in 1963, of which about one-third (mostly soybeans) came from the United States. Other important suppliers of oilseeds in 1963 were Nigeria, the Philippines, and Sudan. Belgium continues to favor oilseed imports rather than oil imports. The demand for soybeans is expected to continue to expand in the Belgian market. U.S. exports of oilcake and meal to Belgium have risen rapidly since 1956, reaching \$8 million in 1963. Increased demand for feed meals has been an important factor in the trend toward soybeans.

In 1963, tobacco and rice were also important U.S. agricultural exports to Belgium.

The most important Belgian agricultural exports are vegetables, mostly fresh. West Germany, the Netherlands, and France are important markets for Belgian vegetables. Other important agricultural exports in 1963 were eggs, meat and live animals, and sugar.

Outlook: Belgian farm prices are near the average of the EEC countries. The unified prices will be slightly higher than present Belgian prices and will likely stimulate Belgian farm production. However, Belgian livestock production may be hindered by unification because prices for imported feedgrains are expected to be higher. Exports of livestock products to West Germany, a principal market, cannot continue to be subsidized because it is within the Common Market.

The produce of Belgian farms face strong competition from lower priced Dutch dairy products, a long-time problem. France and the Netherlands may prove to be lower cost producers of several other farm products. As far as competition from imports from outside the EEC is concerned, Belgian farmers will probably be better protected than before the Common Agricultural Policy.

Economic indicators suggest a moderate decrease in the rate of economic growth in 1965. The slowdown will probably result mainly from the tightening of the domestic labor supply and the money market, and the full utilization of production capacity in most sectors. The labor shortage continues to be the major brake on economic activity.

Production of pork and poultry meat is expected to increase in 1965, while production of beef, veal, eggs, and milk will probably decline. Imports of feedgrains and oilseed products will be higher in 1965.

U.S. agricultural exports to Belgium were \$150 million in the year ended June 1964, a 26 percent increase over the previous year. With rising incomes and high consumer demand, U.S. agricultural exports to Belgium, especially of feedgrains, soybeans, tobacco, and selected fruits and preparations, should continue at a high level in 1965.

DENMARK

Economic situation: The Danish economy moved upward in 1964 following a rather sluggish year in 1963. The level of employment increased. Strong domestic and foreign demand contributed to the expansion. A comprehensive stabilization program, initiated in 1962 and supplemented in 1963, is yielding impressive results. Although the trade balance deteriorated in 1964, foreign exchange reserves rose significantly as a result of borrowing from abroad.

Aided by a high level of industrial investment and the replenishment of depleted inventories, GNP increased at an annual rate of more than 5 percent in real terms compared with 2 percent in 1963. The annual value of industrial production rose from \$1.5 billion in 1950 to \$3.6 billion in 1963; a further increase was expected in 1964.

By September 1964, unemployment among insured workers was less than 1 percent. Total wage costs to management were 6 to 8 percent higher in 1964. The cost of living rose about 5 points from the 1963 level.

Denmark's trade balance continued to deteriorate in 1964. Total exports during the first 8 months, at \$1,298 million, were 9 percent above a year earlier. During the same period, imports rose to \$1,696 million, up 33 percent from 1963. Danish authorities, to protect the exchange reserves, borrowed extensively from abroad in 1964. Gross capital inflows of more than \$100 million boosted exchange holdings from \$342.6 million at the beginning of 1964 to \$436 million by September 30.

The total value of agricultural production increased from \$1,030 million in 1961 to \$1,146 million in 1963. Production costs also increased significantly, although at a slower rate. However, direct government subsidies and the income transfer through domestic price schemes have been important in maintaining agricultural income. During 1960-62, agricultural output made up 13.6 percent of GDP compared with 21.2 percent in 1950-52.

Agricultural policy: Subsidies directly paid to farmers plus various rebates and funds have cost about \$70 million annually since 1961/62. The income transfer through various domestic price programs is estimated at \$45-\$70 million each year. The total amount of all financial assistance to Danish agriculture by these means was reported at \$100 million in 1961/62, \$141 million in 1962/63, \$117 million in 1963/64, and \$114 million in 1964/65. This is apart from the government's regular agricultural budget, which also runs from \$7-\$10 million yearly.

There were no major policy changes in 1964. The present subsidy laws are scheduled to expire in July 1965, with the breadgrain price support system expected to be replaced by the minimum import price system now applicable to feedgrains. The home marketing price scheme, which taxes domestic consumers to provide funds to subsidize exports, is expected to be continued.

Agricultural production: In 1964/65, the index of agricultural production rose 3 points over the previous year. Favorable weather aided the increase in crop production. Total grain output was a record 5.3 million metric tons, 8 percent higher than in 1963. Although the area devoted to grain production was less than in 1963, yields of all grains were substantially higher. Early sowing last spring plus favorable weather during growing and harvesting contributed to the increase.

The 1964 potato production was about 200,000 metric tons less than in 1963 due to reduced acreage. Domestic food use of potatoes will be about the same as in the previous year, while the use of potatoes for feed and by industry probably will decline. Exports are expected to be about 75,000 metric tons compared with 18,000 during 1963/64.

The output of grass and pasture was excellent during the past summer. The fodder beet crop was also good.

Danish rapeseed production in 1964 is estimated to have doubled 1963 output, due largely to increased acreage. On the other hand, mustard seed production was somewhat lower due to decreased acreage. The production of crude vegetable oil is estimated at 78,000 metric tons, slightly higher than in 1963, reflecting larger imports of oilseeds.

Denmark had a very good harvest of apples and pears in 1964. Output was slightly above the previous year and the quality of the fruit was very good.

The acreage of sugar beets harvested for sugar increased in 1964 to 74,000 hectares from 69,000 hectares in 1963. Part of the estimated output of 2.75 million metric tons of beets will be exported as sugar beets and part as refined sugar. About 250,000 metric tons of refined sugar will be used for domestic consumption.

Beef and veal production during 1964 was down about 20 percent from 1963, mainly due to a sizable reduction in cattle numbers. Hog number increases in 1964 resulted in a record pork output and could create a serious export problem in 1965; other West European countries, notably West Germany and France, have also increased their pork output.

Output of broilers set a record high in 1964. However, domestic consumption is expected to increase only moderately in 1964/65 because of the higher retail prices resulting from special fees levied on domestic sales of poultry products.

Production of eggs in 1964 declined to 95,000 metric tons from 108,000 in both 1963 and 1962. EEC import regulations affected Danish egg trade severely during the first three quarters of 1964, causing export prices and producer prices to decline significantly.

Milk production in 1964 was 2 percent above the previous year, reflecting a slight yield increase. Most of the milk is used for making butter and cheese, although fluid milk consumption probably increased somewhat.

Cheese production in 1964 was about the same as 1963's 125,000 metric tons. The EEC dairy regulation (effective November 1964) may hamper Danish cheese exports to the EEC. The EEC countries now take about 50 percent of Denmark's total cheese exports.

Agricultural inputs: Danish agriculture employs about 250,000 workers, a reduction of 50 percent since 1939. The farm labor force is expected to decline by another 30 percent during the next 10 years as the economy undergoes further structural changes. Among other factors, a shortage of farm labor has stimulated a significant reduction of dairy cattle numbers in recent years. Some land previously used for forage is now used in the production of grains, and farmers have expanded broiler and hog production.

The number of tractors has increased steadily since World War II, and there are now about 150,000 tractors on Danish farms. About 60 percent of the grain is now harvested by the 20,000 combines available.

The use of fertilizers has also been increasing. During 1962/63, Denmark used about 47 kg. of N, 37 kg. of P_2O_5 , and 57 kg. of K_2O per hectare of agricultural land.

Foreign trade: Denmark has had an adverse balance of trade for many years.

Total exports in 1963 were valued at \$1,864 million, of which 51 percent represented agricultural products. Denmark's major agricultural exports are bacon and hogs, live cattle, beef and veal, and dairy products.

In the first 9 months of 1964, Denmark's agricultural exports declined. Beef and beef cattle exports showed the biggest reductions, about 58 percent, largely because of reduced production. Egg exports declined due to a general rise in production in Europe. On the other hand, poultry and cheese exports showed some improvement. Butter exports in the first 9 months of 1964 were 4 percent less than in the same period of 1963, while hog and bacon exports improved substantially.

Total imports in 1963 totaled \$2,113 million, about the same as in 1962. Agricultural imports also remained about unchanged and accounted for about 17 percent of total imports. Denmark imported about 400,000 metric tons of wheat in 1964 for use in manufacturing products for export. The Danish breadgrain law does not permit the use of foreign breadgrain for domestic consumption. Feedgrain imports are imperative due to requirements of the expanding hog and broiler industries. The United States has been Denmark's main supplier of corn and grain sorghums, shipping about 270,000 metric tons and 200,000 metric tons in 1964, respectively, slightly more than in 1963. Denmark's barley imports in 1964 were 10,000 metric tons below 1963, due largely to increased domestic production. Imports of rough rice were about the same as in 1963.

Oilseed imports in 1964 were estimated at about 490,000 metric tons, slightly more than in 1963. About 390,000 metric tons were soybeans, mostly from the United States.

Despite increased fruit production in 1964, Denmark will still have to import substantial quantities of apples and pears during the off season. Imports of citrus fruits are expected to increase. Denmark's major suppliers of citrus are Spain, Israel, Italy, and the United States, which supplies lemons.

In recent years the United States has accounted for about 8 percent of Denmark's total exports and the same share of its imports. In 1963, 34 percent of Denmark's total agricultural imports was obtained from the United States. These products were mainly coarse grains, oilseeds, oilcake and meal, tobacco, and some fruits.

Outlook: While seasonal factors and imports of public and private capital eased the strain of Denmark's balance of payments during the closing months of 1964, the economic climate in 1965 will depend in good part on the outcome of labor negotiations in April. The new minority government may not be able to exert the same restraining influence on wages and prices as its majority predecessor. This may lead to further inflation and balance-of-payments difficulties.

The already full utilization of productive capacity may limit productive growth, and consumption may increase less rapidly than in the past year. Material stockpiles have presumably reached a reasonable level and investments are being curtailed due to the impact of the bank discount rate increase. Private building activity will likely fall, while public expenditures probably will continue to grow. Industrial exports may climb further in 1965, but some decline in agricultural exports is anticipated.

The Common Market's new Common Agricultural Policy for beef, veal, and dairy products, effective November 1, 1964, will tend to reduce Denmark's exports to the EEC. However, by special arrangement with the EEC, Danish butter can enter the Common Market at a reduced levy. The EEC also has agreed to accord special treatment to Danish "Havartii" (Tilsit type) cheese. Due to the EEC restrictions on imports of eggs and poultry, Denmark has intensified its market promotional activities in other countries.

Denmark's application for membership in the EEC is conditional upon membership by the United Kingdom. While farmers generally favor membership regardless of British membership, the majority of legislators is opposed.

The recent 15 percent surcharge imposed on imports by Britain has caused concern in the EFTA group including Denmark. However, this surcharge does not cover food products, which account for about 85 percent of total Danish exports to the United Kingdom.

The large grain crop of 1964 will reduce the need for imports. The 1964 breadgrain production is sufficient to cover domestic needs, but over 800,000 metric tons of feedgrains will need to be imported. Imports of corn and grain sorghum will come largely from the United States. Imports of U.S. soybeans are forecast to be up slightly and total about 400,000 metric tons.

FINLAND

Economic situation: Although Finland had a caretaker government between mid-1963 and the establishment of a coalition government in October 1964, the economy has been advancing. GNP increased nearly 5 percent in 1964, aided by increased investments in the industrial sector. Unemployment has been increasing, but remains small. On October 16, 1964, according to official statistics, the labor force totaled 2.2 million with less than 1 percent unemployed. General wage increases of 3.1 percent became effective October 1 for workers covered by escalator clauses. The wage increases were required after the government announced on September 15, 1964, that the official cost-of-living index had reached the threshold point of 171 (1957=100). There was an additional automatic increase in wages of 3.8 percent in January 1965.

The rise in costs has reduced profit margins and adversely affected the competitive ability of industry. Prices have risen sharply over the past year. Since the second quarter of 1963 the average income has risen by 17 percent and the cost of living by 14 percent. Private consumption expenditures increased about 11 percent in 1964, compared with a 7 percent increase in the previous year. About two-fifths of consumer expenditures go for food.

Finnish exports were up by 14 percent in January-August 1964 from a year earlier, due chiefly to strong West European demand for pulp and paper. Total imports, however, rose 26 percent under the stimulus of rapid growth in consumer purchasing power and industrial investment. The resulting trade deficit at the end of August was \$168 million compared with \$66 million in the previous year. This was more than offset by capital inflows. Foreign exchange reserves were \$39 million higher September 30, 1964, than at the end of 1963.

Agricultural policy: The statutory annual review of farm income and subsidies under the agricultural price level law indicated that producer target prices and agricultural subsidies

should be raised by \$45 million. This law requires the establishment of annual target prices and other measures to maintain the total gross income of the agricultural sector and total agricultural expenditures in the same relationship as during a specified base year. The cost of all government price support programs in 1963 was \$146 million, while estimated total value of farm production was \$635 million.

Rather than plan an expansion of farm production, agricultural leaders in Finland have advocated a more rational management of farming and the farm economy in view of the export problems that have occurred for eggs and dairy products. This policy has included attempts to bring about an increase in wheat production and a decrease in dairy production to obtain a better balance in domestic supply and demand.

Agricultural output: Agricultural output in 1964/65 was up 3 points from 1963/64 and significantly better than in 1962/63. Because of the cool, dry growing season, all crops were later maturing than normal, and harvesting operations were about 2 weeks later than usual. The production of wheat and rye was higher but feedgrain production was smaller than in 1963 due to poor yields. The potato crop was below average due to a reduction in area, lower yields, and damage by frost and blight. Despite poor pastures throughout the grazing season, livestock output was up substantially from the previous year, with red meat production up 11 percent. However, in an effort to hold down mounting surpluses of dairy products, the government lowered the quotas for imports of corn and oilcake during the indoor feeding season.

Agricultural inputs: The agricultural labor force continues to decline. In 1963, 27 percent of the labor force was engaged in agriculture compared with 39 percent in 1950. Capital expenditures on machinery and other investments in agriculture continue to expand.

To encourage an expansion of the small area of cropland on many Finnish farms, the government provides bonuses for clearing land. An inheritance law is being prepared to prohibit the division of farms among heirs, into units below a certain area in size. Special low interest rate loans are to be made available to allow one of the heirs to pay off co-heirs and thus retain the holdings intact.

Unlike other West European countries, Finland had an increase in the total number of farms during the past 10 years. However, the greatest expansion was in farms larger than 5 hectares. In 1959, 35 percent of Finland's farms were 2-5 hectares, an increase of 2 percent from 1950.

Foreign trade: The wood industry provides about 70 percent of total Finnish exports. This makes Finland's trade very susceptible to fluctuations in prices of wood products. Finnish trade is strongly influenced by Finland's association with EFTA, bilateral trade agreements with the Soviet Bloc countries, and a poor external financial position. The Finnish-Soviet trade agreement for 1966-70 calls for a marked increase in exports by Finland's metal industry, which has provided an important share of exports to the Soviet Union since World War II. However, Finland continues to look to EFTA as the tonic for its economy, despite strong competition from other members in forestry products. In May, Finland lowered its industrial tariffs to 40 percent of the original level (60 percent on certain protected items) to EFTA members. Finland received the benefit of reductions made by other members early in 1964.

In January-September 1964, there was a rise of over 30 percent in trade with EFTA. There was a substantial, although less spectacular, increase in trade with the EEC. There was also a sharp increase in imports from the Soviet Bloc, and a decline in exports.

In 1963, total exports increased 4 percent over 1962 while agricultural exports increased 16 percent. This was due to increased exports of dairy products and eggs, mainly to the United Kingdom, the Soviet Union, and West Germany. While total imports were about at the same level as in 1962, agricultural imports increased nearly 29 percent and consisted primarily of cereals and preparations, tropical products, animal feeds, and fruits and vegetables. Grain imports were up sharply in 1963 as a result of the poor crop in 1962, while imports of oilseed cake and meal, and soybeans more than doubled. Tobacco imports increased 18 percent.

Finland has been an expanding but small market for U.S. agricultural products.

Outlook: The Finnish economy in recent years until 1964 has been characterized by sluggish economic growth, declining holdings of foreign exchange, and political uncertainty. However, the economic outlook looks better now than it has in the last few years. Rapid and sound growth will depend upon (a) increased exports of forestry products, (b) control of inflationary forces which continue to pose a serious problem, and (c) dampening of the strong demand for imported consumer goods. Finland, like its EFTA associates, will feel effects from the recent U.K. surcharges on imports.

FRANCE

Economic situation: France's gross national product in 1964 grew at a rate of over 5 percent compared with 4.5 percent in 1963 and 5.8 percent in 1962. France's Fourth Plan, 1962-65, called for a 5.5 percent annual increase in gross domestic product.

Both deflationary and inflationary forces were active in 1964. Internal demand eased and consumption showed signs of falling. Retail sales were sluggish. The industrial production index showed signs of deceleration, and consumer prices increased only an estimated 3.9 percent compared with 6 percent in 1963. The rate of increase in the money supply and bank credit decreased considerably. Price increases were slowed by direct government regulations. Wages in the private sector continued to rise. There was considerable discontent among farmers over low prices for agricultural products. While resisting agricultural price increases, the government reluctantly increased some subsidies to farmers near the end of 1964. Despite a considerable increase in the trade deficit during the first half of 1964, provisional balance-of-payments data in the period showed an overall surplus of \$372 million. Foreign exchange reserves increased \$406 million since December 1963, and totaled \$4,863 million at the end of September 1964.

Economic planning has been practiced in France since the end of the reconstruction period after World War II. Under France's Fourth Plan (1962-65) gross national product was to increase 24 percent, agricultural production was to increase 19 percent, and an annual reduction of 70,000-75,000 in the agricultural labor force was sought. Agricultural incomes and standards of living were to be closely aligned with those of other sectors.

Agriculture is important in the French economy, supporting about 20 percent of the population. Although agricultural production increased 2.8 percent per year from 1950 to 1961,

agriculture's share of the gross national product declined from 11.2 percent to 8.9 percent in the same period.

French agriculture produces the bulk of the basic food requirements of the population. France is generally a surplus producer of wheat, mainly soft wheat. Rice and potato crops are sufficient for the country's needs. On the other hand, oilseed production still provides only a small part of the vegetable oils used for food and industrial purposes. France is also a net importer of citrus fruit, vegetables, ordinary wine, and recently, livestock products.

The French diet continues to improve both in quantity and quality. Per capita consumption of cereals, potatoes, and other starchy foods is declining while per capita consumption of meat, sugar, and fats and oils continues to increase.

Agricultural policy: French agricultural policy in 1964 remained basically unchanged from recent years, with primary attention on improving agricultural production and the standard of living of the rural population, as well as improving the marketing process through the organization of producer associations. The maintenance of stable agricultural prices, despite much farmer discontent, was a major part of the government's stabilization plan. Considerable attention last year was given to carrying out agricultural programs under existing laws. Protection of agriculture from foreign competition, which has long been French policy, continued.

France, a member of the European Economic Community, is in the process of adjusting its agricultural prices and policies to conform with EEC's Common Agricultural Policy. Further implementation of the Common Market's agricultural regulations will provide a growing market for French farm products. France has the greatest potential of EEC countries for expanding agricultural production.

Agricultural production: France's agricultural production in 1964/65 increased less than 1 percent above 1963/64. Dry weather during the third quarter of 1964 reduced production of some crops.

Grain production in 1964 was an estimated 25.4 million metric tons, about the same as in 1963, with an increase of 3.4 million tons in wheat offsetting the decline in feedgrain production. The 1964 wheat crop was the second largest crop on record, one-third larger than 1963's crop and close to the Fourth Plan target of 13.7 million metric tons. A 15 percent increase in acreage and higher yields due to favorable weather were responsible for the increase. The quality of the crop was excellent.

Production of feedgrain in 1964 was about 23 percent below 1963, but still slightly above the 1957-62 average. The corn crop was only about half as large as 1963's good crop, due to hot and dry weather during the growing season. The barley crop was down an estimated 9 percent from 1963, due mainly to a reduction of acreage. The output of oats continued to decline in 1964 as the diversion of acreage to other grains continued.

The effect of drought was less serious on the sugar and fruit and vegetable crops than it was on late grains. Total production of sugar beets, despite a 14 percent increase in acreage, was about the same as in 1963, but an increase in sugar production is expected. The output of wine was up 6 percent; the quality was the best in many years due to unusually favorable weather for grapes. Apple and pear production was higher than the large 1963 crop, but the

production of peaches, plums, and strawberries was lower. The apricot crop was almost wiped out by unfavorable weather at blooming time. The output of vegetable crops, very important in French agriculture, was reduced somewhat by dry weather, while potato production was sharply below recent years. The production of forage crops was also down considerably from 1963. Oilseed production, mainly rapeseed, was estimated above the 1963 level. Tobacco production was down 11 percent in 1964, as both acreage and yields were reduced significantly.

Livestock are very important in French agriculture. France has at least 20.2 million cattle of various breeds. The number of sheep in recent years has been increasing, reaching 8.9 million in 1963. Hogs are also important; they numbered 9.0 million in 1963. French red meat production in 1964 totaled 2,753,000 metric tons, 2 percent below 1963. Delivery of cattle was disrupted by drought and a 2-month butchers' strike. Beef and veal production was 50,000 tons below 1963. The output of pork during 1964 was about 3 percent lower than in 1963; however, production in 1965 is expected to increase 10 percent over 1964. The production of lamb and mutton was up slightly in 1964 and should continue to rise in 1965, possibly reaching 130,000 metric tons. Production of cow milk was slightly lower than the 1963 level of 25.5 million metric tons. Poultry production is expanding rapidly; egg production was up sharply in 1964 as some broiler producers shifted to egg production.

Agricultural inputs: Rural population in 1963 was estimated at 8,297,000, or 18 percent of the total population. The French agricultural labor force has been declining quite rapidly in recent years and in 1962 totaled about 21 percent of the labor force compared with 28 percent in 1954. To offset this decline, farm mechanization has increased rapidly. The number of tractors totaled 976,000 at the end of 1963, an increase of 146,000 over 1961. Other farm machinery has experienced similar increases. Fertilizer usage per hectare increased about 40 percent between 1956 and 1961.

Foreign trade: Government policy has a major impact on the direction of French trade in agricultural products. Imports from foreign countries are often restricted, while imports from the franc zone are generally unrestricted and account for a significant share of France's agricultural imports. Agricultural export development is emphasized. French agricultural exports to EEC countries have increased. France's share of intra-Community trade in agricultural products increased from 13.4 percent in 1958 to 25.4 percent in 1963. France in 1964 continued to sign agricultural trade agreements and push for exports of surplus wheat to the Sino-Soviet Bloc countries. Late in 1963 and early in 1964 there were changes in agricultural trade arrangements with the United States. Some items previously under strict quota limitation were completely liberalized. Restrictions, which were expected to be liberalized in progressive steps, were completely discarded on a number of items, such as canned fruits and vegetables, fresh apples, and pears. In 1964, trade policy centered around developing an acceptable Common Agricultural Policy for the EEC which will provide an outlet for many of France's agricultural products.

France is Western Europe's third leading importer and the second ranking exporter of agricultural products. It imports large amounts of fruits and vegetables, coffee and tea, oil, oilseeds, fats, hides and skins, and fibers (including cotton). The value of agricultural imports in 1963 was \$2,426 million and accounted for 28 percent of the value of all imports. France grows large quantities of vegetables, but production does not fully satisfy domestic demand, especially for tomatoes, artichokes, and stringbeans. Imports of fruits are mostly citrus from Spain and Italy. French imports of red meat have been increasing rapidly. In 1963

they were four times those of 1962, and during January-June 1964 jumped sharply to 94,000 metric tons, three times the level of a year earlier. Imports of beef and pork accounted for the bulk of the increase. High prices plus reduced import levies encouraged French importers to seek additional meat supplies.

The Netherlands is the main French supplier of agricultural products outside of the franc zone, followed by the United States and Belgium-Luxembourg. U.S. agricultural exports to France in 1963 totaled \$114 million. Cotton was the most important of these exports at \$36 million, followed by soybean oilcake, \$18 million; wheat and flour, \$11 million; and soybeans, \$9 million. French agricultural imports from the United States during the first half of 1964 totaled approximately \$123 million, nearly two-thirds above those of the first half of 1963. The leading imports from the United States during this period were cotton, \$37 million (\$17 million above 1963), cereals, \$23 million (\$14 million above 1963), and oilseeds, \$15 million (\$5 million above 1963).

The value of French agricultural exports in 1963 was \$1,394 million, 17 percent of total exports. Leading agricultural exports were cereals and cereal preparations, dairy products, sugar, wool (including tops), wine, and fruits and vegetables. France's exports of coarse grains in 1963 exceeded those of 1962 by \$70 million. Barley production is increasing; in 1964 about 2.0 million tons were available for export. The franc zone absorbs about one-fourth of total French agricultural exports. Most of the rest goes to Europe. Major European customers in 1963 were Germany (\$282 million), Italy (\$111 million), and the United Kingdom (\$105 million).

Outlook: Per capita income in 1965 should continue to increase at the 1964 rate of 3.2 percent. The demand for farm products, particularly nonstarchy foods, is expected to continue strong. While the Fourth Plan called for a 30 percent increase in agricultural production over 1959, France is expected to continue to import substantial quantities of some agricultural products.

France will remain an important market for beef through 1965 and 1966. While production is expected to increase slightly in 1965, it will not be sufficient to fulfill requirements. If the United States can reduce shipping and other costs, it may be able to sell France some beef.

Imports of oilseeds from the United States increased sharply in 1963/64. France's 1964 vegetable oil crop was smaller than in 1963. As a result, vegetable oil imports are expected to be higher in 1964/65 than the year before.

France should provide a ready market for U.S. dry beans in 1965 due to sharply reduced production in 1964. Output of other pulses was also down in 1964. In 1963/64, the United States supplied a large share of the dry beans imported into France and a small share of the dry peas. U.S. lentils were well received, and the United States has the opportunity to make substantial gains in the market, which is dominated by Spain, Morocco, and Algeria. Imports of hops are expected to increase in 1965. Since the United States is now included in the global quota for third countries, hop imports from the United States may increase over the 120-ton level of the past 2 years. Tobacco production in 1964 was down 11 percent, and France is expected to import more tobacco in 1964/65 than a year earlier. The demand for cotton was sluggish in 1964 and imports were about 6 percent below 1963. Although the French textile industry is expanding rapidly, cotton imports from the United States in 1964/65 will probably decline from the previous year's level.

The December 1964 Common Market decision on grain prices, to take effect on July 1, 1967, probably will stimulate French grain production. The EEC target prices will raise French soft wheat and barley prices by 6.0 percent and 9.6 percent, respectively. In addition, certain taxes are expected to be eliminated, with the result that French producer prices may rise by as much as 20 percent.

WEST GERMANY

Economic situation: Economic activity in West Germany increased sharply in 1964. GNP is estimated to have grown in excess of 6 percent (in real terms) compared with 3 percent in 1963. Industrial production, prompted by increases in both domestic and foreign orders, pushed substantially above 1963 levels. Business investment in plant and equipment showed a rapid rise, adding to increased capacity and higher productivity. Business inventories also increased in 1964.

Living costs in the first half of 1964 were about 2 percent above the first half of 1963, while food prices went up about 1 percent. Wage rates, further stimulated by labor shortages, continued to rise in 1964. The government appealed for restraint in wage and price increases, and wage increases were kept about in balance with productivity gains.

West Germany has had a payments surplus, as the result of rapidly rising exports. The trade surplus in January-July 1964 totaled about \$1.1 billion, almost double that of the January-July 1963 period. Several factors, however, point to the development of a more balanced trade picture, including: (1) The effect of stabilization measures elsewhere in Europe; (2) brisk domestic demand, which tends to curb exports and encourage imports; and (3) tariff cuts implemented early in the summer of 1964.

The share of gross agricultural product in gross domestic product has been declining in recent years. It averaged 6.4 percent in 1959-61, down from about 12 percent a decade earlier. More than 13 percent of the total labor force was still employed in agriculture in 1962 despite large-scale rural outmigration.

Increased sales of grains and higher prices for most livestock products pushed farm incomes up in 1963/64. Total cash receipts by farmers in 1963/64 were about \$6 billion, up 11 percent from 1962/63. Total cash expenditures declined slightly.

Agricultural policy: West Germany's agricultural policies changed little in 1964. The declared objective remained income parity and efficiency in agriculture. German farm groups are reportedly suggesting the establishment of market organizations for all farm products, patterned after Dutch organizations, which consist of voluntary membership and emphasize the control of the quantity and quality of farm produce.

Development of the agricultural sector of the Common Market increasingly affects West Germany's agricultural policies. Some 90 percent of West Germany's domestic farm output is subject to the supranational jurisdiction of the EEC's Common Agricultural Policy. Nevertheless, the CAP currently permits substantial flexibility in national programs, and there are still wide areas where autonomous farm programs are possible.

Much of West Germany's program for agricultural support is mirrored in the "Green Report" and "Green Plan", prepared annually. In 1964, three-fifths of the agricultural budget

of \$1,046 million was allocated through the Green Plan. About half of this allocation was for structural programs (enlargement of farms, transfer of farmsteads, land consolidation, etc.). About two-fifths of the Green Plan allocation was for milk subsidies, vertical and horizontal integration, and a variety of other purposes. About one-tenth of the Green Plan allocation was for credit subsidies. Of the total agricultural budget, about 10 percent went into such items as the operation of import and storage agencies and freight subsidies. The remaining 30 percent covered expenditures on water and flood control, school milk, fairs, market promotion, and a variety of other items.

Agricultural production: West Germany's index of agricultural production for 1964/65 is forecast at 131, down 2 points from the revised index for 1963/64.

Fall-planted crops harvested in 1964, unlike 1963, suffered very little winter damage. Alternate rainy and sunny weather in the spring of 1964 helped to get grains, along with meadows and pastures, off to a good start. However, hot, dry weather during the summer damaged late pasture and hay, and potatoes.

Wheat production in West Germany reached a record high in 1964. Both area and yield were above 1963 levels. The quality was relatively good due to excellent harvesting weather. Import requirements during the 1964/65 period are likely to be below the 1963/64 period, and the amount of wheat used as feed is likely to increase. Rye production, also of very good quality, was up about 11 percent from 1963.

Total coarse grain production (excluding rye) also increased in 1964, up about 4 percent over 1963. Barley and corn production showed some increase, while production of oats continued to decline. Coarse grain requirements are expected to rise in 1964/65, mainly because of record pig numbers and some shortages of roughage and potatoes.

Potato output in 1964 was down about 20 percent from 1963. The decline in output was due both to reduced acreage and lower yields caused by the hot, dry weather during the latter part of the growing season.

As in many other West European countries, sugar beet acreage for the 1964 crop expanded. This increased acreage, along with a record sugar extraction rate, probably kept 1964 refined sugar output near the 1963 level despite reduced yields of beets. West Germany became self-sufficient in sugar production in 1963 for the first time since World War II.

Preliminary estimates place fresh fruit production in 1964 about 30 percent below 1963 and about 11 percent below the average of the past 7 years. The rather dry summer also probably caused some decreases in the production of processed fruit. Vegetable output in 1964 also dropped below 1963 levels, reflecting reductions in both acreage and yields.

The results of the severe winter weather of 1962/63 carried over into 1964 via the livestock sector. The inadequate feed supplies in early 1963, due in part to the freezing over of canals, had caused heavy cattle slaughter. This herd reduction, along with subsequent market withholdings for herd enlargement, resulted in reduced production of beef and veal in 1964. Hog production in 1963 was near the previous year's level (1.8 million metric tons) but increased by over 5 percent in 1964.

Sharp price rises for livestock in the final quarter of 1963 and early 1964 began to reflect a growing meat shortage in West Germany. In the middle of January 1964, hog prices were about 25 percent above a year earlier, but they declined substantially by March and remained substantially below 1963 prices for the remainder of the year. During March 1964, cattle prices were nearly 20 percent higher than a year earlier and they remained at relatively high levels throughout 1964.

Several factors contributed to the meat shortage which developed in late 1963 and lasted throughout 1964. One important factor was the continuing rise in per capita consumption--this increased from about 50 kilograms in 1956 to 64 in 1963. Another factor which influenced the beef and veal supply was the reduced offerings of beef-exporting countries, not only those in Continental Europe but also those in South American countries, mainly Argentina. A third factor was the lingering effect of reduced herds resulting from the severe winter of 1962/63.

Meat production (excluding poultry) in West Germany in 1964 was up about 2.9 percent from 1963. Of this output, nearly 62 percent was pork, while beef and veal accounted for most of the rest.

West Germany's beef and veal output in 1964 was probably slightly below 1963. Cattle numbers were down 3 percent from the year before, but were 12 percent above a decade earlier.

Pork production in 1964 was 5.5 percent more than in 1963. Hog numbers in September 1964 were nearly 14 percent higher than a year earlier. Consequently, a large increase in pork production is expected during the winter of 1964/65. Fear of an EEC-wide pork glut has prompted discussion of premium payments to encourage slaughter of lighter weights.

Poultry meat output continued to rise in 1964 and was about 9 percent above 1963. Output has more than doubled in the past decade; nevertheless, nearly three-fifths of total consumption is still imported.

Milk production in 1964 continued upward, despite dry fall pastures. About half of total milk production is used in butter production and about 6 percent is used for cheese manufacturing.

Stimulated by high prices and protection offered by the EEC's egg marketing regulations, West Germany's egg production rose 10 percent between 1963 and 1964. Although consumption is expanding, domestic production is supplying an increasing share of the market, and now supplies about 80 percent of requirements.

Agricultural inputs: About 1 out of every 8 members of the total labor force in West Germany was employed primarily in agriculture in 1963. A decade earlier, agriculture accounted for nearly 2 out of 10 workers.

Acute labor shortages in the nonfarm sector have stimulated migration from the farms. Hired farmworkers have been particularly active in seeking higher paying nonfarm work. Also, young farm family members are moving into the nonfarm sector. In 1960, 1 in 8 farm operators was 65 years of age or over while less than 1 in 100 was under 25 years of age. More than 7 out of 10 were 45 years old or older.

West German farmers own about a million tractors. Although they invested over \$580 million in new farm machinery in 1962/63, outlay on machinery appears to have trended downward

since 1960. Effective use of machinery is often limited by very small scattered plots and hilly terrain.

As in most other West European countries, fertilizer usage in West Germany has trended upward in recent years. Fertilizer subsidies provided under the Green Plan were abolished in 1963, and as a result prices rose about 10 percent. Even with this price rise, fertilizer prices in West Germany compare quite favorably with those in other Common Market countries.

Small farms and fragmentation of farmland are major obstacles to the development of an efficient West German agriculture. The situation is particularly acute in the South. On the average, each farm in West Germany contains 9.6 separate plots of land, sometimes widely separated. Over 70 percent of the 1.5 million farms in 1963 were below 10 hectares in size, less than 10 percent were above 20 hectares. Programs for regrouping plots of fragmented holdings are very costly and are proceeding very slowly despite the rather large expenditures for restructuring.

Foreign trade: The EEC's Common Agricultural Policy is increasingly affecting West Germany's agricultural trade. The extent to which traditional trade patterns will eventually be shifted is still problematical. Nevertheless, over the long run, West Germany will likely receive a growing share of its imports of temperate zone agricultural products from EEC member nations, particularly France, and a smaller share from third country suppliers.

One important development in West Germany's trade in 1964 was the relaxing of restrictions on meat imports due to domestic shortages. More import quotas were issued and there was some reduction in levies.

West German trade will be affected by the EEC's rice regulation of September 1, 1964, and the beef and veal regulations and dairy products regulations effective November 1, 1964. West Germany insisted on a special categorization of Tilsit cheese, an important import from Denmark, under the dairy regulations. Special arrangements were also made for West Germany to import a limited number of cattle from Denmark, a transaction outside the beef and veal regulations. Depressed egg prices in West Germany in 1964 led to discussions of import licenses, but the EEC Commission rejected the proposal, citing domestic overproduction rather than low-priced imports as the cause for egg price declines.

West Germany's total export trade continued upward in 1963, reaching \$14.6 billion. A six-fold increase in exports occurred between 1950 and 1962, and yearly increases in exports since 1960 have averaged more than \$750 million. Some 65 percent of West Germany's trade goes to the sterling area and Western Europe, about 20 percent goes to Latin America, Asia, and Africa, 8 percent goes to the dollar area, and about 4 percent to the Soviet Bloc.

Agricultural exports in 1963 were valued at \$359 million, only 2.5 percent of total exports. Some of the major agricultural commodities exported in 1963 include: \$64.8 million of cereals and cereal preparations, \$42.4 million of natural fibers, \$39.1 million of animal and vegetable oils and fats, and about \$35 million of crude animal and vegetable materials.

Imports into West Germany totaled \$13.0 billion in 1963, with the United States supplying about 15 percent. Agricultural imports constituted nearly 30 percent of total imports and were valued at \$3.8 billion in 1963, down slightly from the \$4.0 billion of the previous year. Roughly one-fourth of 1963's total agricultural imports came from EEC member countries.

West Germany's most important agricultural imports in 1963 were \$869 million of fruits and vegetables, \$446 million of natural fibers, and \$389 million of cereals and cereal preparations. U.S. agricultural exports to West Germany in 1963 totaled \$361 million, dropping below 1962 but remaining above the 1956-61 average. Major U.S. commodities exported to West Germany include unmanufactured tobacco, oilseeds, feedgrains, cotton, fruits and preparations, and poultry meats.

Outlook: West Germany's economic progress and stability probably will continue in the foreseeable future. However, the pressure of labor shortages on wage rates and the ebullient demand situation may force prices further upward. Fallplowing and tilling in 1964 were generally ahead of schedule. Good progress was reported in the sprouting and early development of plantings, except in some areas which were very dry. West German farmers indicated that they would plant about the same acreage of winter wheat and rye as harvested in 1964, but increase winter barley acreage by about 8 percent.

Beef output during 1965 is expected to be below last year as rebuilding of herds continues. Poultry production should continue to increase. Hog slaughter, up substantially in the latter part of 1964, will continue to increase in 1965.

The total value of U.S. agricultural exports to West Germany is not expected to change appreciably in 1965. Exports of unmanufactured tobacco, vegetables and preparations, and oilcake and meal have been moving up slightly in recent years; they are expected to continue at about recent levels. Oilseed exports have increased substantially. On the other hand, commodities with a declining export value between 1962 and 1963 include feedgrains, fruits and preparations, and poultry meats.

While West German farmers will remain protected from non-EEC suppliers, they face increasing competition from other farmers in the Community as intercountry levies are gradually reduced and eventually eliminated. The December 1964 agreement by the EEC on unified grain prices, to become effective on July 1, 1967, will result in substantial grain price declines for West German farmers (11.6 percent for soft wheat and 11.4 percent for barley). While the West German producers will be compensated for these income losses until about 1970, some production adjustment will undoubtedly occur, especially in the long run. Some farmers are likely to switch from grain to other farm enterprises. However, some farmers are likely to leave farming and find other employment.

GREECE

Economic situation: Greece's economy has grown rapidly since 1950. GNP increased 7.4 percent in 1963, and probably a little less in 1964. Greece's program for economic development aims at an increase of 75.5 percent in the GNP in the decade of the 1960's. During 1960-63, growth was slightly faster than planned.

Despite its rapid economic growth, Greece has difficult problems with unemployment, low incomes, and worsening of the balance of trade. A major part of the solution of these problems lies in faster industrialization. However, the creation of new industries is a slow process because of insufficient productive investment, a shortage of industrial entrepreneurs, and other factors. During 1960-63, agriculture grew faster but industry slower than planned. The government plans to invest heavily in the economy, but there is great need for private investment in Greek industry. Special incentives have been offered to foreign investors.

More than 300,000 people emigrated from Greece in 1958-63. In 1963, 100,000 left; 65,000 went to West Germany. Although emigration has relieved some pressure, there is still heavy unemployment and underemployment. Emigration has led to seasonal shortages of labor in agriculture.

The cost-of-living index rose 3 percent in 1963, partly because of increases in the prices of imported food. There was only a slight increase in the first 9 months of 1964. Wholesale prices, which had fallen slightly in 1962, rose about 5 percent in 1963; during the first 9 months of 1964 they advanced nearly 5 percent more. Toward the end of 1963, the government raised the minimum wage (which applies to only 30-40 percent of the industrial labor force) by 12 percent.

Between 1950 and 1962, the output of Greek agriculture increased by about three-fourths--one of the fastest growth rates in the world. However, because the rest of the economy grew even faster, the share of GDP produced by the agricultural sector declined from about 34 percent in the early 1950's to about 29 percent by the end of the decade. In the same period, according to the International Labor Organization Yearbook, the proportion of the labor force engaged in agriculture, forestry, and fishing actually increased from 48 percent to about 53 percent.

Agricultural policy: The primary objectives of Greek agricultural policy are to raise farmers' incomes and to increase agricultural output. Increased output is especially desired to improve the balance of payments, both by substituting for imports and by permitting increased exports. The 5-year (1960-64) program for economic development aims at an annual growth rate of 3.5 percent in agricultural output.

The new administration stated on March 30, 1964, "The policy of restricting prices followed till now will be replaced by a policy of restricting cost." Noting that the government had already liberalized terms for credits to farmers, the administration promised reductions in costs of other inputs such as fertilizers, chemicals, machinery, and fuel. Farm prices were to be maintained at or near previous levels.

On October 14, 1964, the Prime Minister of Greece announced the inauguration of new agricultural programs, designed to:

(a) Decrease wheat production to a level of self-sufficiency, while increasing production of better varieties.

(b) Increase production of cotton, livestock feeds, pulses, animal products and sugar beets.

A series of minimum prices at which the government will purchase commodities, as well as cash subsidies on an acreage basis for various crops, were announced as part of the program. It also provides for the importation of cattle and breeding stock.

Of major importance is a decision to prevent the use of irrigated land for the cultivation of wheat. During the past season, sizable areas of irrigated land previously used for cotton and other crops were planted in wheat.

Greece, which became associated with the European Economic Community on November 1, 1962, has requested access to the EEC's fund for financing the rationalizing of agriculture.

Greece recently announced that it will take steps to harmonize its support programs with those already adopted for specific commodities by its EEC associates. Greece has been pressing the EEC to formulate a common agricultural policy for tobacco.

Agricultural production: Aided by generally good weather, Greece's index of agricultural output in 1964/65 is expected to increase 6 percent, a record level. The total area in principal crops was up substantially and there were important shifts in area among crops. The acreage of wheat, oats, rice, vegetables, and sugar beets increased. Acreage of cotton declined.

The 1964 wheat crop of 2.17 million metric tons was a record, more than 50 percent larger than in 1963. Acreage of wheat increased nearly a third over 1963, and yields were up about 20 percent. Much irrigated land previously used for cotton and other crops was planted in wheat for the 1964 crop. This shift occurred because of the high price supports for wheat and various negative factors affecting cotton. Carryover stocks of wheat will likely increase substantially after 1964/65.

Cotton production for 1964 was estimated at 67,500 metric tons, down from 93,600 tons in 1963. Exports of cotton are expected to be 40-44,000 tons, as compared with 57,500 tons from the previous crop. Unfavorable weather at seeding time, high labor cost of picking, and uncertainty as to cotton policy were some of the main causes of a decline in acreage of nearly 40 percent from the previous year.

Production of tobacco was down slightly in 1964. However, there may be some rise in carryover stocks of tobacco. Record citrus, apple, and peach crops were produced. Because of favorable weather, the 1964 olive crop was high, considering that it was the low year of the biannual cycle. The sultana raisin crop was up about a fourth over 1963. The fig crop was about unchanged. For the second year in a row the production of currants was held down by disease.

The production of meat, milk, and other livestock products are expected to rise only moderately in 1964/65. These increases are inadequate to meet increased demands, and increased imports probably will be required in 1964/65.

Agricultural inputs: Of approximately 1 million farmsteads, 90 percent are individually owned. Farms generally are small (85 percent are under 5 hectares) and the number and size of farms is changing very slowly.

In 1962 there were about 1.8 million people engaged in agriculture in Greece out of approximately 3.8 million in the total labor force. Underemployment among agricultural workers is high. In response to higher wage rates and more numerous job opportunities, Greek agricultural workers have been emigrating to the countries of the EEC, particularly West Germany. The outflow of labor has grown to such proportions that a labor shortage in Greece is feared within the next few years. Shortages of labor for harvesting some crops, particularly cotton and olives, have already appeared.

Mechanization of Greek agriculture lags behind most of the rest of Western Europe. The causes of the lag include the small fragmented holdings, adverse soil and topographic characteristics, and lack of individual financial resources.

Greece's soils are generally poor, but fertilizer consumption is among the lowest in Western Europe. However, Greek farmers are increasing their fertilizer consumption at the

fastest rate in West Europe. Between 1955/56 and 1960/61, consumption of N increased by 74 percent, P_2O_5 by 90 percent, and K_2O by 125 percent. In response to increased fertilizer and other factors, crop yields rose about 40 percent from 1952 to 1962. Greece has a small but growing fertilizer manufacturing industry.

Foreign trade: Greece imports machinery, industrial raw materials, transportation equipment, chemicals, petroleum, coal, lumber, a great variety of manufactured goods, and such agricultural products as meat, poultry, wheat, and corn. Greece imported more than \$134 million of agricultural commodities in 1963; the United States supplied nearly \$28.6 million.

Greece's major exports are agricultural commodities, especially tobacco, cotton, fruits, and vegetables. Agricultural exports have been increasing steadily. They amounted to nearly \$242 million in 1963, with the United States taking over \$50 million. Tobacco is Greece's most important export, providing about two-fifths of total export earnings. The volume of tobacco exports is expected to reach a record high in 1964/65, as are the exports of peaches and apricots. In recent years, the expansion of cotton cultivation and the growth of the textile industry have resulted in a marked upsurge in exports of various textiles. However, exports of cotton are expected to decline in 1964/65 because of reduced production.

An objective of national agricultural policy has been a reduction in imports, as well as an increase in exports, as a means of improving the balance of payments. However, increases in personal incomes in Greece have brought about increased demands for commodities such as livestock products. Although production of these products has shown a sustained increase, domestic supply has not kept up with domestic demand. The deficit has been met by increased imports.

Imports of industrial consumer goods have also increased rapidly. The national plan forecasts that imports will increase somewhat faster than exports. But in the early years of the plan, imports grew faster and exports slower than expected. However, Greece's large and growing trade deficits in recent years have been more than offset by inflows from invisible receipts, private capital, and foreign grants and credits. Gold and foreign exchange reserves rose in 1962 and 1963.

Greece, as an associate member of the EEC, over a period of 12 to 22 years will eliminate its tariffs on EEC products and harmonize its import duties with the EEC's Common External Tariff. Greek exports to the EEC are accorded the mutual import reduction currently in effect among the Community members. These changes will shift Greece's trade toward the EEC.

Outlook: The implementation of the new agricultural policy probably will have a large effect on agricultural developments in the coming years. Somewhat lower prices for wheat, together with prohibition of the use of irrigated land for wheat, should hold down wheat production. Incentives of the new guaranteed prices announced in advance of planting should stimulate production of feedgrain and livestock products. Planting and seed subsidies will also stimulate production of feeds and cotton.

In the longer run, rising incomes will ensure substantial improvements in diets in Greece. The improvement will to a considerable extent depend on increased consumption of livestock products. Production of meat, milk, fruits, and vegetables will expand substantially. Imports as well as production of feedgrains probably will continue to expand.

IRELAND

Economic situation: The Irish economy was buoyant during 1964, continuing the pace set in 1963. GNP increased over 4 percent. The year 1964 marked the transition from Ireland's first program for economic expansion (1959-63) to its second (1964-70). During 5 years of the first program, Ireland's GNP increased at an average rate of 4.4 percent per year. The second program calls for an increase of GNP of 4.3 percent per year and an increase of industrial output of 7.1 percent per year.

With total employment expected to rise by less than 1 percent annually, productivity will have to increase about 3.5 percent to achieve the GNP target. An increase in the rate of investment is expected and by 1970 the ratio of investment to GNP may reach 18 percent compared with the present level of 17 percent. If the output targets are achieved, overall demand for labor should rise. An important goal is to reduce unemployment and, by 1970, to reduce emigration to about 10,000 persons per year, about half the present rate. The second program aims at encouraging exports, adapting and modernizing existing industry with financial assistance from the state, attracting new industries, improving the production, marketing, and processing of agricultural products and, through increased research and development, enhancement of the competitiveness of Irish goods in world markets. The targets of the second program assume that Ireland will be a member of the EEC by 1970.

During January 1964, an agreement was made for a 12 percent rise in wages during the next 2 1/2 years. Partly as a result of this increase in wages, but also due to an increase in other prices and higher local taxes, the cost-of-living index rose 5 percent between December 30, 1963, and September 30, 1964. Unemployment continues to decline and at the end of June stood at 5.0 percent, the lowest in recent years. Emigration to the United States and Great Britain continued at a high level and has resulted in some shortage of labor, particularly skilled labor and administrative personnel. However, with the continued growth in Ireland's economy, skilled workers are now beginning to return.

Although Ireland's agricultural production has been increasing, its share of gross domestic product (GDP) has been declining. During 1960-62, agriculture accounted for 24 percent of GDP, down from 33 percent during 1950-52. This declining trend will continue as Ireland expands its industrial sector.

Agricultural policy: There were no major changes in agricultural policy in 1964. However, Ireland appropriated more money for subsidies and other aids to agriculture during 1963/64 than at any time since its independence. Total money spent for agricultural aids and subsidies during 1963/64 was over \$70 million, more than 10 percent of the gross value of agricultural output. New programs introduced during 1964 included a brucellosis eradication program and a grant scheme to farmers who expand their cow herds from the previous year. This program was quite successful during its first year of operation.

During the summer of 1964, the Ministry of Agriculture released the details of the agricultural section of the second program for economic expansion. The program calls for expanding gross agricultural output by 2.7 percent per year and increasing farm incomes. By 1970, gross agricultural output is to be about 31 percent greater than in 1960. This is a higher rate of growth than that achieved in the past decade but is considered well within the capacity of Irish agriculture. As the agricultural labor force continues to decline, the plan projects that farmers' per

capita real incomes will increase 60 percent between 1964 and 1970 compared with 40 percent for the economy as a whole.

The 1970 target calls for a substantial increase in the production of livestock products, a doubling of barley output, and a significant increase in the output of horticultural products and sugar beets. More than 70 percent of the projected increase will come from grassland enterprises, mainly meat, dairy products, and wool. These products accounted for about 80 percent of total agricultural exports and nearly 50 percent of total exports during the past 3 years.

Agricultural output: The year 1964 was a good year for Ireland's farmers. A mild winter and good growing conditions contributed to increased production of livestock, livestock products, fodder crops, and grain. As a result, the index of net agricultural production for 1964/65 is expected to reach 115, slightly above the previous year and 7 points above the relatively poor year of 1962/63.

Wheat and oat production increased slightly, and barley output increased 5 percent from the previous year. Total grain acreage remained unchanged in 1964. The acreage devoted to malting barley increased due to considerable expansion in the requirements by the brewing industry. Wheat and oat yields were above the 1963 levels, and barley yields were unchanged. Quality was generally good, despite some heavy late season rains. The quality of wheat was considered the best since 1959. The production of root and fodder crops was generally above 1963; however, the production of potatoes declined.

The output of livestock and livestock products increased due to abundant feed supplies and the mild winter. The production of dairy products, beef and veal, and pork increased during 1964. The pork increase was in part stimulated by an increase in the price of higher grade hogs. There was little change in the production of poultry and eggs. Despite the very large exports of live cattle in recent years, herd numbers have continued to increase, stimulated in part by the government subsidy for in-calf heifers.

Agricultural inputs: Ireland's agricultural labor force has declined 4 percent during the past 10 years. It comprised 33 percent of the total labor force in 1962. Ireland is behind most other North European countries in mechanization of agriculture and use of fertilizer.

The Irish Government supports a number of subsidies to agriculture and other programs designed to increase output and raise productivity. Among the more important are grants to assist in the construction improvement and repair of farm buildings, a project to improve farmland by drainage and other means, fertilizer subsidies, a bovine tuberculosis and brucellosis eradication program, grants to increase cow numbers, and an agricultural credit program. Under the second program, government policy will be directed towards the development of an improved livestock industry. In addition to the above measures, emphasis will be on improvement of marketing and processing facilities so as to compete more effectively in international markets. The government is also prepared to make a substantial grant to the Irish Agricultural Organization Society to expand cooperatives and to reorganize the dairy industry. National grading standards for dairies will be introduced. Agricultural education, advisory and research services will be expanded to help farmers make more intensive use of their land, create viable farming units, and ensure that, as far as practicable, those who leave agriculture will have adequate employment opportunities and those who stay in agriculture will be more able to make better use of modern agricultural technology.

Foreign trade: Ireland's trade gap continued to widen during the first 6 months of 1964, with imports exceeding exports by nearly \$340 million, compared with a gap of \$309 million in the second half of 1963. Net earnings from tourism and other invisibles registered only a marginal increase over 1963. Consequently, Ireland's balance-of-payments deficit in 1964 increased from about \$62 million to about \$84 million. However, Irish reserves continue to increase due to the sharp increase in the inflow of private capital; by the end of September they totaled \$438 million compared with \$380 million a year ago. As a result of the surcharges imposed by the United Kingdom on certain imports, many of which are very important to Ireland's industrial sector, the Irish Government is now refunding one-half of the surcharge to Irish exporters.

Ireland's exports continued to expand in 1963 and totaled \$535.6 million. Strong European demand for beef and veal and dairy products boosted exports of these products to an alltime high, while exports of manufactured goods continued to expand.

Exports of agricultural products amounted to \$335 million in 1963, a record level, and accounted for nearly 63 percent of total exports. Live cattle exports for slaughter improved in 1963, while exports of meat products reached record levels. Agricultural exports increased further in 1964, with near-record shipments of live cattle for slaughter as well as increased exports of meat and meat preparations.

Ireland's imports totaled over \$858 million in 1963 and were at record levels. Imports of agricultural commodities increased to \$180 million. Principal agricultural imports continued to be live animals, wheat and feedgrains, fruits and vegetables, tropical products, animal feeds, tobacco, and natural fibers.

Irish imports, particularly nonagricultural products, have been encouraged by a reduction of tariffs. Reductions of 10 percent were made in 1963 and 1964. A third 10 percent reduction, planned for January 1965, has recently been abandoned, in part due to the U.K. surcharge.

Approximately 14 percent of Ireland's agricultural imports in 1963 came from the United States. U.S. agricultural exports to Ireland in 1963 totaled \$24 million, \$12 million below 1962, but above 1956-58 and 1959-61. Tobacco, feedgrains, and fruit are the most important of these U.S. exports.

Outlook: Presuming Ireland's ability to maintain a high level of exports, its economy probably will continue to grow at about the present rate, although inflation is expected to be a continuing problem.

Since about 85 percent of Ireland's land is grassland, considerable emphasis will be given to expanding the production of cattle, dairy products, hogs, sheep, and wool during the remainder of this decade. These products alone will likely account for about 70 percent of the increase in agricultural output projected by Ireland's second program. The production of these products is likely to increase again in 1965. The output of beef and veal will be especially stimulated by the shortage on the continent. Cattle and sheep numbers, which have been increasing, are projected to continue upward.

The acreage of wheat and oats is expected to continue to decline in 1965, while barley acreage will rise. The second program projects significant increases for horticultural products and barley by 1970. The decline in production of wheat and oats, which has been occurring in recent years, is likely to continue. The production of these crops is not emphasized in the second program.

ITALY

Economic situation: Since 1963 the Italian economy has been plagued by rising prices and wages and a substantial deficit of the balance of payments. Recently there has been some signs of improvement, largely the result of the implementation of stabilization measures imposed in September 1963 and February 1964. GNP is estimated to have risen about 3 percent (in real terms) in 1964, compared with 4.8 percent in 1963.

Italy had particularly difficult balance-of-payments problems during 1964. In March 1964, an emergency credit of \$1.2 billion was provided Italy by the United States, the International Monetary Fund, and some European central banks. In addition, the United States provided Italy with \$250 million in CCC credit to be used for the purchase of tobacco and cotton.

Italy has an unfavorable trade balance--\$1.4 billion in 1962 and \$2.5 billion in 1963. During the first 8 months of 1964, imports totaled \$5.0 billion and exports \$3.8 billion; the deficit of \$1.2 billion was 25 percent smaller than in the same period of 1963. Gold and foreign exchange reserves, which in February 1964 fell to \$2.7 billion (the lowest since 1959), advanced to \$3.39 billion in November 1964 due in part to tourist revenue, estimated at over \$1.1 billion, and emigrant remittances of about \$500 million.

Wages rose 15 percent during the first 9 months of 1964, while the cost-of-living index moved up 5 percent. The cost of food advanced 7.4 percent and the wholesale and retail price indexes increased 4.0 and 7.1 percent, respectively. The producer price index averaged 118.8 (1953=100) in the first 6 months of 1964, a slight decrease from the comparable period in 1963.

The index of prices paid by farmers, however, averaged 133.3 during January-June 1964 compared with 127.5 for the first 6 months in 1963. To combat the farmer's cost-price squeeze, the Italian Government approved the elimination of turnover taxes on all foodstuffs, seeds, fuels, fertilizers, farm machinery, and feeds, and the reduction of land taxes.

Agricultural policy: Italy's agricultural policy centers around five major objectives: (1) The expansion of irrigation projects in central and southern Italy; (2) the renewal of orchards in irrigated areas; (3) the expansion of livestock production, largely beef and dairy products; (4) the development of a cooperative marketing system, particularly in southern Italy; and (5) the consolidation of small size farms through land reform programs.

The Ministry of Agriculture has three major functions which are concerned with structural changes, marketing, and EEC liaison. Recently, the Ministry established a national food council which formulates plans and measures concerning the production, marketing, and consumption of all foods, food technology, maintenance of food quality, nutritional standard, and education.

In September 1964 the Italian Chamber of Deputies approved legislation prohibiting any further share-crop agreements and raised the tenant's share of the produce to 58 percent.

Since the agrarian reform law was passed in 1950, nearly 2 million acres of land have been brought under the program. Out of the 33,000 selected farms, 18,000 families have become farm landowners.

The Italian Government has continued to increase its loans to farmers, from \$230 million in 1953 to \$760 million in 1963. Over 80 percent of this credit is used for operational expenses.

The government also subsidizes transportation costs of young breeding cattle for building up the livestock industry.

During 1951 to 1961, the "Fund for the South" provided over \$3 billion for investments in various development projects. This assistance is to be continued and expanded. Funds from the EEC and other sources have also been provided to help finance agricultural projects in this area.

Agricultural production: Grain production, including rice, totaled over 14 million metric tons in 1964, 5 percent above 1963. The output of wheat was up 6 percent, although the production of durum was down about 22 percent. The production of coarse grains increased about 2 percent, as corn yields rose to a record 53.1 bushels per acre. The production of rice recovered in 1964 to about 19 percent above 1963 as both acreage and yields increased.

Although the production of sugar beets in 1964 was 6 percent below 1963, the output of refined sugar is expected to be slightly higher. Potato production declined 10 percent due to reduced acreage. The record 1963 crop and resultant low prices contributed to reduced acreage in 1964.

Despite heavy storms in late June, no serious damage was reported in the deciduous fruit growing areas. Quality, however, may be poorer due to excessive rains. Pear production increased about 4 percent, apricots 10 percent, cherries 5 percent, and apples 1 percent. Plum production is estimated to be 4 percent lower and the production of peaches about the same as in 1963.

Citrus output in 1964 was lower than in 1963. A storm in late 1964 destroyed an estimated 100,000 tons of the Sicilian orange crop. Lemon production declined about 6 percent, while the production of tangerines was about the same.

Adverse weather caused decreased production of pulses, almonds, walnuts and filberts in 1964. The production of filberts was nearly 50 percent less than in 1963. Olive oil production in 1964/65 is expected to decline about 36 percent from the previous year due to a reduced olive crop.

The output of all types of vegetables, except cucumbers, showed declines, ranging from 2 to 10 percent.

The production of grapes was up 16 percent and the production of wine up about 20 percent from 1963.

The production of forage in 1964 was estimated at over 44.2 million metric tons (dry), up about 4.0 percent.

Italy's livestock population, except hogs, again declined in 1964. According to the 1964 livestock census, cattle numbered 9,100,000 head, an 8 percent drop from 1961. Sheep and goat numbers were also lower. In contrast, the hog population expanded dramatically, and for the first time, numbers topped 5 million head, an increase of 13 percent over 1963.

The production of red meat increased slightly in 1964 due to increased imports of slaughter animals, mainly cattle and calves. However, domestic demand continues to expand, resulting in

large imports of beef and veal. On a per capita basis, consumption of beef and veal increased 30 percent since 1961.

Chicken numbers and poultry meat and egg production increased moderately in 1964. Milk production declined about 2 percent and cheese output was about 3 percent below 1963.

Agricultural inputs: In 1963, the Italian labor force exceeded 21 million. While the industrial labor force has increased 3 to 5 percent, the agricultural labor force has declined about 5 percent annually in recent years. The farm labor census of 1964 shows a reduction of 7 percent from 1963. The present agricultural labor force still accounts for about 26 percent of the total labor force.

Total tractors used on Italian farms in 1963 reached 350,000 and the number of combines increased to 11,000 units. Further mechanization may be expected, especially in livestock raising, forage handling, and farm transport.

The use of fertilizer declined in 1964. Compared with a year earlier, consumption of P_2O_5 decreased 12.1 percent, N 18.8 percent, and K_2O 22.7 percent.

A problem facing Italian agriculture today is the very large number of small farms. According to a recent report by the OECD, 43 percent of Italian farms are between 1 and 5 hectares in size and 33 percent are less than 1 hectare. If Italian agriculture is to compete effectively, this problem will have to be attacked more vigorously than it has been. Despite the fact that Italy passed its agrarian reform law in 1950, only a small number of families have become owners of land.

Foreign trade: As a member of the EEC, more and more of Italy's trade is with other member countries. During the first 8 months of 1964 over 34 percent of its trade was with this group, especially France and West Germany. However, trade with the United States also increased during this period and was about 11 percent of total trade.

Italy usually has an unfavorable trade balance in agricultural products. During 1963, agricultural products accounted for only 15 percent of total exports, while agricultural imports were 28 percent of total imports.

The major agricultural exports are fresh and preserved fruits and vegetables, nuts, rice, and wine. They generally account for 70 to 75 percent of Italian agricultural exports. Other agricultural exports include rice, tobacco, hides and skins, and special cheese and meats. The value of flower and seed exports has gone up in recent years.

Exports of fruits and vegetables totaled \$173.5 million during January-June 1964, a decrease of over 3 percent from the same period in 1963, due mainly to lower unit prices. For the same reason, while exports of citrus rose from 300,000 metric tons to 340,000, proceeds were over \$16 million below the previous year. Exports of preserved vegetables, particularly preserved and peeled potatoes, also dropped. West Germany is the major importer of Italy's fruits and vegetables, accounting for 70 percent of total exports to the EEC.

In recent years, Italy's imports of agricultural products have gained sharply. In 1963, agricultural imports reached \$2.1 billion, 37 percent higher than the year before, and comprised 28 percent of total imports.

The rapid rise in Italian imports of feedgrains continued in 1963 and through most of 1964. Italy is one of the largest importers of feedgrains. Its main suppliers are the United States, Argentina, and Brazil. The rapid expansion of its livestock industry, particularly poultry and hog production, and a fairly stable level of domestic production, account for most of the increase in imports.

Imports of beef and veal have risen sharply in the past 3 years. After nearly doubling from 1961 to 1962, imports of beef and veal increased by more than two and a half times from 1962 to 1963. In the first 6 months of 1964, Italian cattle imports were 70,000 head less than a year earlier due mainly to reduced supplies in its traditional suppliers. In the same period, imports of meat increased 46 percent. In 1964, the United States became one of Italy's new cattle suppliers; by the end of November, about 6,000 head of calves and 5,000 head of feeder cattle had been shipped.

Outlook: In the marketing year of 1964/65, Italy's agricultural trade pattern is expected to be somewhat the same as that in the 1963/64 period, although minor changes will occur.

Due to increased production in 1964, Italy will likely export about 185,000 metric tons of rice this season as against 150,000 in 1963/64. Although Italy will have about 30 percent of its apple production, 20 percent of its peaches and pears, and 10 percent of its apricots available for export, it will face increased competition, especially for apples, in 1965. Citrus exports are expected to be lower. Wine and special types of cheese and meats will continue as major export items.

Despite a good grain crop in 1964, 400,000-500,000 metric tons of wheat will have to be imported, of which 350,000-400,000 metric tons will be durum. Corn imports are expected to decline about 6 percent from the 1963/64 level because of larger domestic supplies. However, the United States is expected to supply its usual share, about 25 percent of Italy's total needs. Imports of rye and oats will go up substantially due to the poor harvest, while imports of barley will remain about the same. Domestic sugar consumption continues to increase faster than domestic production and large imports are anticipated for the next season, probably reaching 500,000 metric tons. U.S. shipments of calves and feeder cattle to Italy may increase in 1965.

The unified grain prices, agreed to by Common Market countries at Brussels in December 1964 and to become effective on July 1, 1967, will result in a subsidy payment for the production of durum wheat. This will act to stimulate output of durum wheat in Italy and reduce import needs. Special arrangements were also made whereby Italian farmers are to receive levy reductions on imports of corn and barley from third countries. This will act to keep Italian imports of feedgrains at a high level, although the target prices agreed to are far above current levels and could stimulate increased production.

NETHERLANDS

Economic situation: The Netherlands' GNP increased about 5.5 percent in 1964. Economic activity was brisk during the year despite credit restrictions and high rates of interest. So far, the government's very modest, primarily monetary, anti-inflationary program has not succeeded in bringing about an appreciable relaxation of inflationary pressures. However, a deceleration in growth of investments may be forthcoming. The cost-of-living index rose about 7 percent in 1964. Wages increased about 14 percent. The labor supply remains tight and it appears that the

government will not be able to keep 1965 wage contracts within the desired increase of 2 percent. The central plan bureau's "reconnaissance" for 1965 based its calculations on two alternative assumptions of wage cost increases of 4 percent and 6 percent. The Bureau stated that if wage increases were higher than 4 percent, the deficit in the balance of payments could not be corrected.

The Netherlands' reserves declined only slightly (by \$92 million) in the first 6 months of 1964, but a deteriorating balance of trade caused concern. In the January-July period, imports rose 23 percent over a year earlier, while exports rose only 15 percent, resulting in a trade deficit of \$934 million. A 3 percent rise in agricultural exports was offset by a 21 percent increase in exports of manufactured goods.

Agricultural policy: The Dutch agricultural policy has two main features--increased productivity through advice, education, and restructuring of agriculture; and price and income stability for farm products, including those exported. As expected, some difficulties have arisen in combining price and income stability with the maintenance of competitive export prices. Rebates of import levies on grain have been used to make exports of livestock products competitive. Imports of competitive products are restricted. Tariff rates increase with the degree of processing, with little or no tariff on noncompetitive raw products.

Agricultural production: The value of agricultural production increased about 15 percent from 1958 to 1963. However, gross domestic product increased more and agriculture's contribution fell from 12.6 percent in 1953 to 9.8 percent in 1960-62. The expansion of production during the past decade reflected increased output per unit of land, livestock, and labor. Some new land area has been reclaimed and more will be added in the future, but this will be more than offset by urban expansion. Therefore, increased production must come from advances in efficiency and imported feedstuffs.

The index of agricultural production was 130 in 1963/64, down from 134 in the previous year. The 1964/65 index is forecast to remain at about the same level as 1963/64. In 1964, weather conditions were much better than in 1963 and most crops made high yields of excellent quality. However, increased crop production will probably be offset by lower production of milk and eggs.

Total grain production was about 2.0 million metric tons as compared with the previous season's 1.8 million metric tons. The increase was due almost entirely to the record wheat crop of 718,000 metric tons, 35 percent above 1963, and 19 percent above the previous high in 1962. With a large amount of good quality wheat available for milling, wheat imports in 1964/65 are expected to be reduced by 200,000 metric tons.

Despite a reduction of 12 percent in the harvested acreage of feedgrains, production was only 6 percent less than in the previous year. Demand for feedgrains will continue strong due to increased pork and poultry production, and feedgrain imports are expected to rise by 850,000 metric tons.

Although the area planted to potatoes in 1964 declined 7 percent, production was about 4 percent above 1963. Exports of potatoes from the 1964 crop are expected to be 140,000 metric tons higher than in the previous year, and usage for starch manufacturing will be up about 75,000 metric tons. Feed and food utilization will be reduced.

Crops of deciduous fruit in 1964 were reported to be the best since 1960. Vegetable production was again about 1.6 million metric tons, with the production of cucumbers, beans, and cabbage higher than in 1963. The expansion of acreage of greenhouse vegetables continued.

A very good sugar beet crop was harvested, partly as a result of a 14 percent increase in acreage. Estimates of sugar production have been revised upwards to over 550,000 metric tons, about one-third above 1963. This production would give a surplus of about 30,000 metric tons above domestic requirements.

The total number of cattle, placed at 3,571,000 head in May 1964, was more than 3 percent below 1963 and about 6 percent below 1962. The drop in 1964 was mainly due to the exceptionally heavy slaughter in early 1963 because of bad weather and feed shortages. Lower production of beef and veal and reduced imports resulted in a shortage of beef in early 1964. As a result, imports of beef and live cattle were liberalized. A further decline in beef production is expected in 1965 in view of the smaller herd size.

Pork supplies for domestic consumption became scarce late in 1963, primarily as a consequence of heavy exports of pork and live hogs to other EEC countries. However, hog numbers were up 12 percent in May 1964, and numbers of brood sows increased by an even higher percentage. Larger production of pork is forecast for 1965; this will offset the beef shortage.

Poultry meat production continued to expand in 1964. A decrease in the production of hens and ducks was more than offset by increased broiler production. Dutch exports of poultry meat were up 5 percent during 1963, but broiler exports were up 20 percent. Broiler production will probably continue to rise. Egg production has been declining in recent years, mainly due to lower prices in the West German market. Many egg producers have shifted to more profitable poultry meat production. Egg production for 1965 is expected at about the 1964 level.

Milk production declined in both 1963 and 1964. Decreased production resulted from the heavy slaughter during the severe winter of 1962/63. Cow numbers continue low as high beef prices and low milk prices encourage close culling of milk cows and heifers. The reduced number of milk cows was partly offset by higher production per cow in 1964, which was due mainly to very favorable weather and good pasture conditions.

Agricultural inputs: The Dutch have a well-developed system of agricultural education, research, and extension which has produced farmers of high technical ability. However, Dutch farmers are handicapped by their small scale of operation. In 1959, Dutch farms averaged 9.4 hectares in size. Of these farms, 36 percent were between 1 and 5 hectares in size and 77 percent were 10 hectares or less. Not only are the farms small, but, on the average, each farm has 3.8 plots with an average size of 2.6 hectares per plot.

The government program of land consolidation of scattered plots is aimed at improving the farm structure. In 1963, applications for land consolidation totaled 1.4 million hectares, with 309,000 hectares in progress. However, consolidation of an average of only 10,000 hectares per year was completed during 1954-62. The present aim is to increase this to 40,000 hectares per year.

Other governmental measures to help solve the economic problems of farms include: (1) A farm enlargement program, (2) measures to improve farm efficiency, and (3) creation of employment opportunities for farm labor outside of farming within the low income areas.

The agricultural labor force was about 10 percent of the total labor force in 1961. The labor force in agriculture, forestry, and fishing declined 39 percent between 1947 and 1960. Labor productivity is high, especially in crop production, and is continually being stepped up by the introduction of more modern machines.

According to the agricultural census of May 1963, over 104,000 tractors were used in Dutch agriculture. During 1963 the number of tractors increased 8.6 percent; about the same rate of increase has occurred each year since 1960. Milking machines were up 12 percent, numbering 64,211 in 1963. This provided one machine per 27 cows compared with one machine per 166 cows in 1955. Although there has been heavy investment in machinery, about 84 percent of the main farm buildings were built prior to World War II and 55 percent prior to World War I.

The Netherlands applies more commercial fertilizer per hectare to its arable land than any other West European country. In 1962/63, 128 kg. of N, 44 kg. of P_2O_5 , and 54 kg. of K_2O were applied per hectare of arable land. During the 10 years ended 1962/63, Dutch farmers increased the use of N by 70 percent, but decreased the use of P_2O_5 by 11 percent, and K_2O by 20 percent.

Foreign trade: About three-fourths of the Netherlands' agricultural exports are shipped to other West European countries, with about one-half going to other EEC countries. Only one-fourth of the Netherlands' agricultural imports are obtained from Western Europe. The Western Hemisphere supplies about half of the agricultural imports and the United States over one-fourth. For the year ended June 1964, the Netherlands, with a population of only 12 million, ranked third as a market for U.S. agricultural exports, exceeded only by Japan and the United Kingdom. 5/ U.S. agricultural exports to the Netherlands during this period were valued at \$468 million, over one-tenth of total U.S. commercial agricultural exports.

In 1963, Netherlands' agricultural exports were 29 percent of total exports and agricultural imports were 20 percent of total imports. Livestock products accounted for 48 percent and horticultural products accounted for 28 percent of agricultural exports. Grains and feeds composed 32 percent of agricultural imports.

Grains were the leading agricultural imports in 1963. The Netherlands imported \$54 million of wheat and flour, over half from the United States. Also, the Dutch imported \$194 million of feedgrains, 79 percent from the United States. Argentina was the second ranking supplier.

In 1963, the Netherlands continued to import large quantities of fats, oils, and oilseeds. The United States supplied about one-fourth of the total oilseeds, in terms of oil equivalent, mostly soybeans. The Netherlands was also an important market for U.S. exports of animal fats, tallow, and lard. In 1963, U.S. exports of oilcake to the Netherlands were slightly below the high level of 1962. The U.S. share was 21 percent in 1963 compared with 26 percent in 1962, which reflects reduction of soybean cake imports in favor of other cakes such as linseed, colza, and rapeseed.

5/ This ranking is achieved when the export data are adjusted for exports of grains and soybeans to Canada for storage pending their use to finish loading vessels moving through the St. Lawrence Seaway destined for foreign ports.

The Netherlands, with its large and rising per capita income, imports fruits and vegetables, including preparations, to supplement those grown domestically. Spain and Italy were the major suppliers of the \$113 million of these products imported in 1963, while \$22 million were imported from the United States.

In 1963, the Netherlands imported \$128 million of natural fibers, of which a large share was cotton and wool. In 1963 the U.S. share of cotton exports to the Netherlands was 26 percent and amounted to \$14 million. The demand for raw cotton imports is expected to increase slightly in 1965.

The most important markets for Dutch agricultural exports are West Germany for eggs, poultry meat, other meats, butter, cheese, fruits, and vegetables; and the United Kingdom for pork, butter, fruits, and vegetables. Processed milk is sold mostly to Asia, Africa, and South America.

Outlook: Economic indications point to a lower growth rate in GNP in 1965. The labor shortage will probably be the major restraint on economic growth. Investment shows signs of declining during 1965. Inflationary pressures are expected to continue in 1965.

Agricultural production will probably not change much in 1965. Larger production of pork and poultry meat will offset lower beef and egg production.

Wheat imports are expected to be lower in 1965, while feedgrain imports will be up significantly. Imports of cotton and tobacco are expected to increase slightly during 1965.

The outlook is favorable for Dutch exports of condensed and evaporated milk and cheese for 1965. France is becoming a strong competitor for Dutch poultry meat and eggs, but adjustments in EEC regulations in 1964 should give the Dutch a better competitive position within the Common Market. Larger supplies of pork will be available for export in 1965, but supplies of pork in most West European countries will also be higher, so competition will probably be stronger.

Dutch exports of livestock products are based on low cost imported feedgrains which the Dutch convert efficiently into livestock products. In the longer run, with rising prices of grains, it will become more difficult for the Dutch to compete effectively in export markets, especially within the EEC.

NORWAY

Economic situation: Economic activity was at a high level in Norway in 1964. Employment was at a record high while unemployment was negligible. GNP has continued upward since World War II; it increased 6.6 percent in 1963. However, the rate of increase of GNP in 1964 was probably somewhat lower than in 1963, as industrial production fell in the latter part of the year. Because employment was already at a very high level, most of the increase in production has come from increased productivity.

The Norwegian economy is a mixture of state ownership and free enterprise. Economic planning is an integral part of economic policy. Plans are made on a 4-year basis covering the parliamentary term. The 4-year plan is based on programs and forecasts prepared by the various

ministries after consultation with private industry groups. The 1962-65 plan programmed an increase in GNP, in real terms, of 4 percent a year. In planning, the Norwegians have tended to emphasize investment. Total gross investment (excluding ships) is expected to rise by about 5 percent a year.

The level of wages in Norway is tied to the consumer-price index. During January-September 1964, this index rose about 7 percent and is now near the level where negotiations for wage increases become obligatory. A committee of experts has begun to evaluate the alternatives in an attempt to solve the wage-price dilemma. This is the sharpest rise ever recorded for the index and is due mainly to increased food prices. In 1962, consumers spent about 29 percent of their income on food.

Agriculture contributed 9 percent to Norway's GNP in 1963 compared with 11 percent in 1961 and 14 percent a decade ago. Agriculture's contribution in 1964 was up and may have approached 11 percent.

Agricultural policy: Norway's current agricultural policy is aimed at stimulating farm production and raising farm incomes. Prices of major domestic farm products are determined through negotiations between the government and the two major farm organizations and are formalized in an agricultural agreement. Prices of most domestically produced farm products are maintained above world market prices. In recent years, subsidies have accounted for about one-half of net farm income. In 1964, nearly \$72 million was allocated for the support of dairy products, which are the most highly subsidized commodities. Feedgrain prices are also maintained at levels above world prices. Rebates on purchased feeds are paid to certain farmers under a system which favors small farmers. Prices for meat, eggs, poultry, potatoes, and horticultural crops are also regulated.

Norwegian agriculture is protected from external competition by restricting imports of virtually all agricultural products which compete with domestic production.

Agricultural output: The index of agricultural production for 1964/65 is forecast at 109, 2 points above 1963/64. Most crops were affected by the poor weather at harvesttime. Cold and rainy weather retarded the ripening of crops and delayed the harvest in most areas. Grain production was up 5.6 percent from 1963; however, the quality was poorer. Apple production was up 12 percent in 1964. Potato production was down 34 percent from 1963 due mainly to reduced yields. The area in grass was up and root and fodder crop production increased slightly over 1963.

Total meat production is expected to be up only slightly from the previous year. Pork production was the only meat showing an increase, as slaughter numbers increased by 30,000 over 1963. The production of beef and veal declined slightly. Milk production continues increasing despite a continuous decline in cattle numbers. The number of cattle has declined to about 1.1 million head, compared with 1.4 million before World War II. Virtually all of Norway's cattle are of dairy breeds. Dairy products account for one-half of gross farm income.

Sheep numbers have increased rapidly in the last few years, after a long decline. Sheep are adaptable to the sparse growth of the high altitudes of some of Norway's grassland. Hog numbers have also been increasing in recent years. Increases in poultry numbers are held down by veterinary restrictions on imports of chicks.

Agricultural inputs: About 21 percent of the total labor force was employed in agriculture in 1962. There has been a decline in the agricultural labor force of about 2.1 percent per year over the past 10 years. The number of hired laborers in agriculture has declined rapidly due to the strong demand and higher wages of industry.

Mechanization continues to increase quite rapidly. There were 62,800 tractors in Norway in 1963, including 18,700 2-wheeled tractors, compared with a total of 9,700 in 1949. The small amount of arable land per farm, however, limits the utilization of large modern farm machinery.

In 1963, fertilizer consumption rose sharply over the previous year. The consumption of N was up 9 percent, P_2O_5 was up 10 percent, and K_2O up 1 percent.

In 1955, Norway enacted a land act to facilitate the structural improvement of agriculture through amalgamation of existing farms and land reclamation. A revision of the act has been proposed to the Parliament and is scheduled to be discussed in the 1965 spring session. The suggested revisions are moderate and aim at expansion of a government option to purchase land coming on the market for sale and a tightening of the controls on land use for nonagricultural purposes as well as on the division of farms.

Foreign trade: Norway's economy is highly dependent upon foreign trade. Its main exports are forestry products, fish, and metal ores. Major imports are fruits and vegetables, grains, textiles, metals, machines, ships, and fuel. Norway is a member of EFTA and over 70 percent of Norway's trade is with the EFTA and EEC countries. The United Kingdom and West Germany are its most important single markets. Norway has recently concluded a bilateral agreement with Denmark providing for increased trade in agricultural products.

Norway usually has a trade deficit. Climate and geography dictate the need for large imports of grain, oilseeds, fibers, fruits, vegetables, coffee, and sugar. Raw materials imports are also needed for the metals industry. Finished goods imports are dominated by large imports of ships to maintain the country's traditional shipping industry. Machinery, transport vehicles, and fuel are also important imports. Norway has few agricultural products to export. However, eggs, butter, and cheese are subsidized for export.

Norway imports several U.S. agricultural commodities, mainly corn, soybeans, tobacco, and fruits.

Norway is fearful of losing a substantial amount of trade with the United Kingdom as a result of the recently applied surcharge on U.K. imports. However, export demand is expected to remain high. In 1964, demand for Norway's export products was strong at prices somewhat above 1963.

During the first 8 months of 1964, Norway reduced the deficit in its current payments account to \$32 million compared with \$151 million during the same period in 1963, due largely to a more favorable trade balance. Foreign exchange holdings, which have been steadily increasing in recent years, were up \$14 million during the first 6 months of 1964.

Outlook: The Norwegian economy will probably continue to be dominated by strong inflationary pressures in 1965.

Wheat imports from the United States will be small in the 1964/65 marketing year, since most of the import requirements have been contracted for. U.S. exports are expected to be only 25,000 metric tons compared with 117,000 in 1963/64. Rye imports from the U.S. will also be down from 21,000 metric tons a year earlier. Fruit imports from the United States should make small gains from 1963/64 due to the very poor apple and pear crops. An early opening of the import season is expected. However, the future of Norway as a market for U.S. agricultural products will depend to some extent on the outcome of negotiations in the Kennedy Round, and their success in modifying the traditional protection of domestic agriculture.

PORTUGAL

Economic situation: Portugal's GNP last year grew at about the 1963 rate of 4.2 to 4.5 percent, as compared with 5.5 percent in 1962 and the 7.8 percent average during 1959-61. Agricultural production was much lower than in 1963 as the result of unfavorable weather. This was partly offset by the improvement in industrial production which has been recovering since the autumn of 1963. During the first 7 months of 1964, the index of industrial production was 11 percent higher than a year earlier. Despite a deteriorating trade balance, Portugal's financial position continued to improve in 1964, with an expected balance-of-payments surplus approaching \$63.4 million. The surplus trade of the overseas provinces with foreign countries, receipts from tourists, and emigrants' remittances more than offset the mainland's trade deficit. Capital inflows, both private and public, were also high in 1964. As a result, foreign reserves continued to increase, and stood at \$898 million at the end of September 1964.

The economy in 1964 continued to be threatened with inflation from the rise of consumer demand and increased defense and other public expenditures. In July 1964 the consumer-price index for Lisbon was 6.3 percent over the level of July 1963. The consumer food prices in Lisbon showed a 12 percent increase in the same period. Money in circulation as of August 1964 was 17 percent over a year earlier.

The Portuguese Government has made a variety of efforts to stimulate economic growth. The second 6-year development plan expired in 1964. This will be followed by a 3-year interim plan, with the third 6-year plan to follow in 1967. The interim plan calls for a \$1.7 billion investment (including \$503 million for the overseas provinces), or a 55 percent increase in total investment over the expiring plan. Total investments set aside for agriculture amount to \$99 million, or 8.2 percent of total investments. The interim plan contemplates a 6.1 percent annual increase in GNP. Private consumption is expected to rise at an annual rate of 5.2 percent. Both imports and exports are planned to increase 8.3 percent a year.

The agricultural share of the gross domestic product continues to decline; in 1960-62 it was 24.3 percent compared with 30 percent during 1950-52. Agriculture still employs 42 percent of the labor force.

Agricultural policy: Portugal's agricultural policy has been directed in recent years towards encouraging production of crops which Portugal can produce most efficiently, such as fruits and vegetables, even though the policy means increased imports of some basic food crops. The government is attempting to increase agricultural production through a variety of means. Portuguese trade policy is strongly protective toward agriculture. Prices of agricultural commodities are regulated. Strict market regulations are in effect for wheat and rice, both of which are supported by guaranteed prices and subsidies.

Agriculture has found it difficult to adjust to the structural changes in the economy. Shortages of labor and rising costs have not been matched by corresponding increases in the prices of agricultural products or by parallel rises in productivity.

The major agricultural goal in Portugal's expiring 6-year development plan was to increase food production. The increase of population and recent droughts, as well as changes in the demand for food products, have placed additional pressures on agricultural production.

Agricultural production: The index of agricultural production for 1964/65 is forecast at 121 (1952/53-1954/55 = 100), 6 points below the previous year, primarily due to the decrease in grain production. The major factor causing the decline was adverse weather. Excessive rains in late 1963 delayed seeding, and abnormally hot weather in May and early summer caused premature ripening.

Grain production in 1964 was about 10 percent below 1963 due to reductions in both acreage and yields. Production of breadgrains (wheat and rye) declined 18.2 percent while feedgrain output declined 4.7 percent. The wheat crop in 1964 was the smallest since 1949 and 29.7 percent below the 1950-54 average. The rye harvest was the lowest since 1948. The production of feedgrains declined as the increased output of corn was more than offset by reduced production of barley and oats. Rice production in 1964 amounted to 166,000 metric tons, slightly higher than in 1963. Grown under irrigation, rice is little affected by drought.

Total production of fresh vegetables probably exceeded the previous crop. However, no statistics are available on vegetable production. Processed tomato production, practically all of which is exported, was about 195,000 tons, up 4 percent over 1963 and 29 percent over 1962.

Production of other crops was somewhat less than 1963's good harvest. Potato production was down about 5 percent and pulse production--the main protein food in the Portuguese diet--was about 3,000 metric tons less than in 1963. Wine production, which accounts for about one-fourth of the value of total agricultural production, was also down slightly from 1963's record output, but well above the 10-year average.

Livestock production accounts for one-fourth of Portugal's gross agricultural product. However, it has been disappointing in recent years. Cattle numbered 930,000 in 1963, only 3.9 percent higher than in 1955. While the number of sheep increased by 1.4 million over 1955 to a total of 5 million in 1963, the number of hogs increased by only 82,000 in the same period. African swine fever continues to plague hog production. Goat numbers decreased by one-fourth in the period and totaled 452,000 in 1963. Poor breeding and feeding practices, livestock diseases, and few natural meadows suitable for pasture are responsible for the relatively stagnant livestock production.

The production of red meat in 1964 was about the same as in 1963 while poultry meat production, which has been expanding slowly in recent years, totaled about 12,000 metric tons in 1964.

Milk production in 1964 increased slightly over 1963. Of total milk production, about 70 percent is cow milk. Cheese production was estimated at the previous year's level of 20,000 metric tons. Egg production in 1964 was estimated at 32,000 metric tons, up 2 percent over the preceding year.

Agricultural inputs: The agricultural labor force was estimated at 1,325,000, or 42 percent of the active population in 1962. According to the 1960 census, some 128,000 workers left agriculture in the decade ended that year. Nearly 30,000 agricultural workers are expected to shift annually from agriculture to nonfarm employment during the 3-year interim plan. The exodus of labor to cities, where industries are developing, and to foreign countries, is causing some manpower shortages in agriculture, especially during harvesttime.

The shortage of agricultural labor and rising agricultural wages have stimulated farmers to accelerate mechanization of their farms. The number of tractors in use in 1963 represented an increase of nearly threefold since 1955 to an estimated 12,000. An estimated 5,300 threshing machines were in use in 1963, as compared to 3,800 in 1955. The use of other farm equipment is also increasing.

Irrigation development has been a major aspect of Portugal's development plans. Portugal has 420,000 hectares under irrigation, including 297,000 hectares of privately owned irrigated land. One-tenth of the field crop acreage is irrigated. The present development plan calls for the addition of 170,000 hectares of irrigated land by 1970.

There was a 14 percent increase in the use of fertilizer between 1955/56 and 1962/63. Nevertheless, Portugal's fertilizer consumption, at 35 kilograms per hectare of agricultural land (excludes rough grazing land), is still far below the average for Western Europe.

One of the most formidable obstacles to increased agricultural output is the structure of Portugal's land holdings. In 1960, over 88 percent of the farms averaged less than 5 hectares, and 50 percent averaged less than 1 hectare. Farms are often fragmented into a number of small separate plots. This not only retards mechanization but also is a major factor in holding down farm incomes. The government instituted a land reform program in 1962, but progress has been slow.

Foreign trade: Portugal has traditionally depended heavily on foreign trade. The combined value of exports and imports in the past decade has annually represented more than one-third of the GNP.

The Portuguese Government regulates trade through quantitative restrictions, licensing, exchange controls, bilateral agreements, and tariffs. Agricultural cooperative organizations supervise many of the agricultural imports, particularly grains. During the past decade, Portugal has eliminated quantitative restrictions on many imports from OEEC countries and the dollar area. Portugal is a member of EFTA and GATT. Portugal continues to do a moderate volume of cash trade with the Sino-Soviet Bloc--about \$5 million in imports and \$7.3 million in exports in 1963, with agricultural products accounting for 10 percent and 3 percent, respectively. Beef and pork from Poland accounted for the bulk of imports.

Exports of agricultural products amounted to \$68.5 million in 1963, or 16.4 percent of total exports. The main agricultural export in 1963 was wine (44.8 percent), followed by fruits and vegetables and fats and oils. Portugal is also a large exporter of fishery products, mainly canned fish, and is the world's largest exporter of cork. Portugal's principal foreign market for agricultural products is Western Europe, especially West Germany and the United Kingdom. The United States imports wine, figs, carobseed, tomato paste, chickpeas, olive oil, and sausage casings from Portugal.

In recent years, Portugal's imports of agricultural commodities have slightly exceeded its agricultural exports. Portugal's main agricultural imports in 1963 were natural fibers, fats and oils, cereals and cereal preparations, oilseeds, and sugar. The overseas provinces provided more than half of its agricultural imports. The United States is the main supplier of wheat. Principal U.S. agricultural exports to Portugal in recent years have been wheat, tobacco, cotton, potatoes, and rice. In 1963 the value of U.S. agricultural exports to Portugal amounted to \$15.5 million, including nearly \$6 million under the P.L. 480 program.

Outlook: As a result of poor production in 1964, agricultural imports in 1965 are expected to increase substantially over the previous year's level. Consumption requirements are expected to increase because of population growth, increase of living standards, and a rapidly growing demand for nonstarchy foods, spurred considerably by a doubling of tourism over the previous year. To the extent that the government decides to accelerate livestock production, a considerable increase in feedgrains and high protein feeds will be required. The mixed feed industry, though small, is growing rapidly. Imports of corn in 1965 are expected to exceed 100,000 tons for the first time. Imports of corn have been primarily from the overseas provinces, with small amounts from the United States and South Africa. Since Angola's corn is white and commands a premium in foreign markets, Portugal might find it advantageous to import increasing amounts of the relatively cheap and plentiful U.S. corn and re-export Angola's corn. Shortage of corn among some importers is already partly attributed to re-exporting. Imports of wheat and oilseeds or oils are expected to be much higher than in 1963/64. Portugal's olive oil production is estimated at about one-half of requirements. Rice, tobacco, and butter imports should be about the same as during the previous year. Cotton imports are expected to be somewhat higher due to reduced production and the increased requirements of the textile industry, mainly for exports of yarn and textiles.

SPAIN

Economic situation: The economic situation in Spain during 1964 was generally favorable, despite weaknesses in agriculture. The gross domestic product increased nearly 11 percent at current prices and 6 percent in real terms. Industrial production also reached new highs, as most industries continued to experience significant advances over the preceding year. For the first 9 months of 1964 the industrial production index increased 10 percent over the same period in 1963. Fiscal reforms undertaken in 1964 seem to have improved the business climate. Spain's financial position also continued to improve. The balance of payments for the first 9 months of 1964 was in surplus by \$266.1 million compared with a \$58.3 million surplus a year earlier. As a result, foreign exchange reserves continued to increase and totaled \$1,376 million as of September 1964 compared with \$1,082 million a year earlier.

Spain continued to experience inflation. The general cost of living at the end of September was 8 percent above December 1963 and 11 percent above September 1963. Wholesale and consumer prices of agricultural products, stable in the first half of 1964, rose sharply in the third quarter of 1964. At the end of September 1964 the general wholesale price index was 4.1 percent above June and 6.5 percent above September 1963. Wage increases and disappointing harvests were responsible for the rapid rise in food prices. Bank liquidity is high, and borrowing, reduced in the first half of 1964, increased in the second half. The fear of increased business taxes held down the business demand for investment credit in the first half of 1964. Combined industrial and agricultural wages during the first half of 1964 rose more than 11 percent over the corresponding period in 1963. With demand increasing and wages rising, Spain will have difficulty maintaining price stability.

Spain launched its new economic and social development plan in January 1964. It calls for public and private investments of \$15 billion in the next 3 years. Of the \$5.6 billion for public investments, about 24.6 percent is allocated to transportation and 20.5 percent to agriculture, with irrigation accounting for 72 percent of total public investment in agriculture. The main objective of the plan is to attain an annual rate of growth of 6 percent, with GNP to rise from \$13.8 billion in 1963 to \$17.4 billion in 1967. Average per capita income is not only to rise from the present \$360 to \$470 in the period, but its distribution is to become more equal. Private consumption is to rise annually at 5.5 percent; gross fixed capital formation, 9 percent; exports, 10 percent; imports, 9 percent; and agricultural production, about 4 percent.

Agriculture is of major importance in the Spanish economy. The agricultural sector employs nearly 40 percent of the labor force, produces about 25 percent of the GNP, and earns over 50 percent of foreign exchange.

Agricultural policy: Spain's agricultural policy has three basic objectives: (1) Expand and diversify exports; (2) attain self-sufficiency in agricultural production; and (3) raise the standard of living of farmers. Major agricultural policy measures include the continuation of support prices for the most important crops, liberalization of certain imports such as cotton, temporary tariff reductions on agricultural commodities in short supply, and improvement of marketing and distribution channels.

There were significant policy changes for Spanish agriculture in 1964. The development plan increased investments in agriculture. A new agency, "Comision de Normalizacion y Regulacion de Comercio Externo," was set up to improve inspection service for exports and imports. Wheat farmers were encouraged to pool their lands and make more efficient farming units. The government set floor prices for olive oil, cotton, and some types of hogs; issued orders to purchase surplus wine; increased the price of sugar beets; and established an incentive system to promote the production of grapefruit juice and concentrates.

Agricultural production: Spain's agricultural production is derived chiefly from grains, orchards, vineyards, and truck gardens. Livestock and dairy products account for one-third of production.

Agricultural production slipped in 1964 because of unfavorable weather. The index of agricultural production dropped 5 points from 1963/64 to 124. The considerable improvement in livestock production, 9.5 percent above 1963, was not sufficient to offset the 12.9 percent decrease in crop production.

Grain production in 1964 declined 16 percent from 1963 due almost entirely to reduced yields. Grain acreage decreased less than 2 percent. Production of wheat, Spain's leading bread-grain crop, decreased about 19 percent from 1963. Feedgrain production dropped 12 percent and barley production declined 23 percent. The production of corn, with much of the acreage under irrigation, continued to expand and rose 2 percent from 1963.

The 1964 sugar crop was up 24 percent over the previous year. Cane and beet sugar production should reach 465,000 metric tons, compared with 374,000 tons in 1963. The rise in beet acreage is responsible for production increases as farmers responded to an 18 percent increase in support price. Sugar consumption is expected to increase due to higher incomes, more tourism, and increased production of canned and preserved fruits.

The potato crop was 20 percent smaller than in 1963, due to dry weather and a cutback in acreage. Low prices were responsible for an 8 percent reduction in acreage. Fruit production in 1964 was much higher than in 1963. Pear production set a record of 141,000 metric tons. Apple production totaled around 316,000 metric tons. Citrus production, largely oranges, increased about 3 percent. Grape production for wine also was higher than in 1963. The production of pulses, important in the Spanish diet, was about 400,000 tons, 17 percent below 1963, as summer drought reduced the crop. Tobacco production reached approximately 22,000 tons, down nearly 3,000 tons from the previous year. Cotton production declined about 16 percent in 1964 as a result of a 29 percent decline in acreage.

Spain is the world's leading producer of olives and olive oil. Olives furnish the greater part of Spain's supply of fats and an important share of its agricultural exports (13 percent in 1963). Production of olive oil is estimated at 54 percent below the unusually large crop of 590,000 metric tons in 1963/64.

Meat production in 1964, including poultry, reached 910,000 tons, almost 13 percent over 1963, 27 percent over 1962, and more than double the output of 1954. Beef and veal production increased to about 175,000 tons in 1964 while output of lamb and mutton production declined slightly. Pork production in 1964 was more than 12 percent over 1963 and 31 percent over the low output of 1962. Poultry meat production continues to increase sharply, and in 1964, with production estimated at 158,000 tons, was 12 percent higher than in 1963 and 28 percent over 1962.

Milk production in 1964 was up 2 percent from 1963 and 10 percent from 1962. Cow milk production accounted for over 80 percent of total milk in 1963. Egg production increased to about 410,000 metric tons, up 42 percent from 1962.

Agricultural inputs: Spain's agricultural labor force totaled 4,600,000 in 1962, nearly 40 percent of the labor force. This compares with about 46 percent in 1953. By 1967, the agricultural labor force is expected to decrease by 340,000. Of the 4.6 million working in agriculture, about 2.4 million are small landowners. The fall in agricultural population, together with technical improvements, and increased capital and other inputs, increased productivity per man by 40 percent between 1950 and 1960.

Agricultural wages in 1963 rose 23.5 percent while the prices for agricultural products rose only 9.6 percent. Costs of fertilizers, mixed feeds, seeds, and machinery also continued to increase.

Spanish agriculture continues to be plagued by structural problems. Over 64 percent of Spain's farms have less than 5 hectares per farm, while only 3.6 percent have over 50 hectares.

Investments in agriculture, although increasing in recent years, are still low compared with other West European countries. Public and private investments during 1963 totaled \$337 million against \$284 million in 1963.

Spain is attempting to mechanize its agriculture. The number of tractors in 1963 reached 114,000, a fourfold increase over 1955. The new plan calls for an additional increase of 107,000 tractors by 1967. Total investment in agricultural machinery is expected to increase from the present \$140 million per year to \$173 million by 1967.

Most Spanish soil has adequate potash, but needs nitrogen and phosphate. With emphasis on increased agricultural production, consumption of commercial fertilizers in Spain has increased rapidly; the plan envisages further increases by 1967. A new fertilizer plant, with a capacity of 310,000 tons a year, was built recently and will considerably increase Spain's capacity to produce nitrogenous fertilizer.

The water shortage has been met in some parts of Spain by irrigation. In 1963 there were 2,028,782 hectares under irrigation, or over 10 percent of the cultivated land. The new plan calls for an additional 300,000 hectares under irrigation, of which 270,000 will be newly irrigated. The rapid increase in the acreage and production of several crops such as cotton and corn can be attributed mainly to the increase in irrigated acreage.

Foreign trade: Spanish exports in 1963 totaled \$736 million. Agricultural exports, which account for over 50 percent of total exports, increased to over \$383 million. During the first 6 months of 1964, total exports were valued at \$484 million, an increase of 49 percent over the comparable period of 1963. The value of agricultural exports in the same period was nearly 7.5 percent above 1963.

Spain's major agricultural exports are fruits (mainly oranges), vegetables, wine, olives, olive oil, and nuts. Exports of fruits and vegetables, the most important agricultural exports, totaled \$243 million in 1963, 63 percent of total agricultural exports. Olive oil and wine also account for a significant value of exports. Olive oil exports probably declined in 1964. European markets absorb 70 percent of Spain's total exports and more than 75 percent of its agricultural exports. West Germany is the main buyer of citrus, followed by France, United Kingdom, and the Benelux countries. The United States is also an important market for Spanish agricultural products--\$38.9 million in 1963.

Spain's imports, which have been climbing very rapidly in recent years, continued upward in 1963 and totaled over \$1,955 million. Agricultural imports, which account for about 25 percent of total imports, have also been increasing and totaled about \$484 million in 1963. Spain's major agricultural imports are grains, vegetable oils, meat and meat preparations, sugar, and fibers. Grains alone accounted for 20 percent of total agricultural imports in 1963.

The United States is a major supplier of agricultural products to Spain. In 1963, U.S. agricultural exports to Spain amounted to \$122.5 million, a 24 percent increase from 1962. Grains accounted for about 50 percent of total U.S. agricultural exports to Spain. In 1963, Spain was the largest single market for U.S. soybean oil. Soybean oil and oil cake and meal exports in 1963 accounted for one-third of total U.S. agricultural exports to Spain. U.S. exports of cotton have declined to insignificant amounts, except in periods of low cotton production. Expanded cotton production in recent years has been stimulated by government support prices. Spain's imports from European countries comprise 55.1 percent of its total value of imports, but foods, mainly meat, cheese, codfish, and some livestock products, form only a small percentage of the total.

Outlook: Spain's poor agricultural production in 1964 will probably result in increased grain imports, totaling possibly 3.0 million metric tons in 1964/65. Wheat imports may reach 500,000 tons. With rising demand for meat products, an expanding poultry industry, and the increased use of mixed feed, imports of feedgrains could approach 2.4 million tons in 1964/65, as compared with 2.1 million tons in 1963/64. If the government decides to reduce meat imports

and encourage livestock production, feedgrain imports may exceed 2.4 million tons. Spain's imports of cotton in 1964/65 may exceed 100,000 bales (21,800 metric tons) in response to a 16 percent decline in production.

Seed oil imports are expected to be up sharply in 1964/65 due to the poor olive and cotton crops. Stocks of seed oils in 1964 were down to 10,000 metric tons, as compared with 70,000 and 80,000 tons in the 2 previous years. Imports of seed oil for 1964/65 may total about 240,000 metric tons, nearly three times the 1963/64 level. Spain will continue to import large quantities of oil cake needed for livestock development.

In the next few years, Spain will have to import livestock for breeding, feedgrains, vegetable oils, protein concentrates, oilseeds for crushing, tobacco, sugar, nuts, and fresh deciduous fruits. The demand for beef and veal by 1967 is expected to increase 69 percent over the 1959-61 average of 170,000 metric tons, while the domestic supply is expected to increase only 58 percent. The plan anticipates \$1.6 million a year for imports of breeding stock. Despite the plan's target of an increase of four times the 1959-61 production of feedgrains, it still anticipates an annual deficit of 500,000 metric tons, which will have to be met with imports. The protein concentrate deficiency, currently about 150,000 tons, is expected to reach 300,000 tons by 1967. Increased production of mixed feeds will increase the demand for oilseed meal. Spain is also expected to have a large deficit in fats and oils for the next few years.

SWEDEN

Economic situation: The moderate economic boom which began in Sweden during the first half of 1963 shows signs of continuing into 1965, carrying with it an expansion of the GNP by an estimated 5.5 percent in 1964. However, a critical labor shortage and a shortage of private investment are threats to a continuing high rate of growth. Unemployment continues well below 1 percent of the labor force, with jobs being reclassified to attract women and to provide more part-time employment opportunities. Even with high output and full use of existing capacity, most industries continue to be reluctant to invest to increase capacity.

Foreign trade activity is strong, with a 1964 trade deficit of about \$200 million. Gold and foreign exchange reserves at the end of September 1964 were \$945 million, 14 percent more than a year earlier due in part to increased holdings of foreign assets. During 1964 Sweden had a positive trade balance with the other EFTA countries, slightly greater than the negative trade balance with the EEC. The United Kingdom's 15 percent surcharge, imposed in October 1964 on imports other than food, unmanufactured tobacco, and basic raw materials, may seriously change this trade pattern in 1965. In 1963, Swedish exports to the United Kingdom totaled \$431.4 million. The affected commodities accounted for half of Sweden's exports to the United Kingdom, or 6 percent of all exports in 1963.

Largely because of the upswing in the general economy during the 1950's and the conscious effort to limit agricultural production, agriculture's share of the gross domestic product declined from 15.3 percent in 1950-52 to 7.5 percent in 1960-62. In 1960 there were 331,000 people employed solely in agriculture, 10.2 percent of the total economically active population. The proportion declined to less than 9 percent in 1963.

Government expenditures on agricultural support during the 1964/65 budget year will approximate \$156 million. Of this, \$101 million, representing about 2.5 percent of the government budget, will be direct grants.

Agricultural policy: During 1964, several fact-finding groups submitted reports on various aspects of Swedish agricultural practices and policies. Extensive work in this area is underway preliminary to decisions on the new agricultural program to follow the current one which expires August 31, 1965. In general the reports presented to date envisage a continued reduction in total cultivated acreage and fewer farms. It is unlikely that the deliberations and decisions required for comprehensive new farm policies will be made in time to become effective in 1965. Therefore, current discussions center on an interim program for 1965/66. Farmers and their representatives tend to oppose suggested changes toward less agricultural protection and less reliance on agricultural self-sufficiency. Farmers' representatives are concerned about an ever-widening income gap between small farmers and industrial workers. Any change in present policies is expected to be limited. EEC and Kennedy Round decisions may also influence the general support and import protection level.

Sweden is one of the few countries in the world where agricultural production has not increased in the last decade. A main goal of agricultural policy has been income equality between efficient family farmers and rural industrial workers. This goal is sought, thus far unsuccessfully, by keeping agricultural production approximately balanced with domestic consumption and, as necessary, restricting imports and subsidizing exports. Policy has been directed toward the development of larger more diversified farms. Regulation of the price of feed has tended to discourage livestock production on the basis of purchased feed, while livestock producers with large acreages devoted to grain production have to some degree benefited by this price regulation.

There is considerable pressure to export the surplus production of wheat, pork, and eggs. This is disturbing in some agricultural circles, since sizable export subsidies are involved in making these products competitive in world markets.

Agricultural production: Livestock production probably declined somewhat in 1964, while 1964 crop production was one of the best on record. The net effect was a 1 percent increase in agricultural production. The 1964 harvest of most crops was excellent in both quantity and quality. Increased production of pork and eggs was offset by reduced production of milk and beef.

Aggregate 1964 production of crops exceeded the 1959-63 average by about 20 percent and 1963 by about 12 percent. Yields were well above average, especially for grains, winter rapeseed, and sugar beets. Wheat production was about 350,000 metric tons above current consumption requirements. About 200,000 metric tons are intended for export. The remainder will be used to rotate and add to the current stockpile. Part of the rotated stocks of low-grade wheat will be sold as feed. Potato production reached only 76 percent of 1963 and 85 percent of the 1959-63 average, while the deciduous fruit crop was about 20 percent larger than 1963 and 25 percent above the 1959-63 average. The quality and storability of the fruit was better than average.

Total meat production in 1964 equaled 1963, with a decline in beef and veal offsetting an increase in pork production.

Agricultural inputs: Man-hours devoted to farming declined nearly 36 percent between 1953 and 1963. During 1951/52-1960/61, agricultural labor productivity increased an average 4.9 percent per year compared with 4.6 percent in industry.

Domestic and imported tractors and equipment of excellent design and quality are readily available. On the other hand, agricultural labor is in short supply. These and other economic

forces have so stimulated mechanization that farms with 50 or more acres of arable land have reached the saturation point for tractors. The replacement market for tractors now averages over 10,000 a year. The use of combines, milking machines, and other machinery and equipment has also increased rapidly.

Commercial fertilizer is applied according to soil test indications. Use averaged 83 kilograms, plant nutrient value, per hectare of arable land in 1962/63, with considerably higher applications on the fertile grain producing plains of southern Sweden than on the pastureland in the North. Sweden has developed the art of seed production to a high degree and Swedish farmers have available well-adapted seed varieties.

Emphasis continues on increasing farm size and improving the efficiency of farm buildings to make more rational use of the available physical and human resources. Holdings of 2-5 hectares accounted for 29 percent of all farms in 1961. The number of farms of this size declined 31 percent between 1951 and 1961. According to plans, a further reduction of 16 percent in farm numbers is expected by 1970 and a 10 percent increase in area of arable land per farm. The agricultural population is expected to fall to 9 percent of total population by then.

Foreign trade: Sweden's agricultural imports in 1963 totaled \$486 million and its exports \$146 million, an increase over 1962 of 8 percent in imports and 9 percent in exports. The agricultural share of total trade in both 1962 and 1963 was 14 percent of imports and 5 percent of exports.

About half of the 1963 imports of agricultural products came from Denmark, Brazil, the United States, Netherlands, and Italy. There was an increase in imports of cereals, sugar, oil-bearing products, and feeds but a decline in imports of beef, potatoes, dried fruit, and cocoa beans. In 1963 as in 1962, the principal export markets were West Germany, the United Kingdom, Denmark, Italy, and East Germany. A decline in exports to the traditional market of West Germany, due to EEC market regulations, was approximately balanced by an increase in exports to the United Kingdom. Of total agricultural imports in 1963 the EFTA supplied 20 percent, the EEC 15 percent, and the United States 10 percent. U.S. agricultural exports to Sweden in 1963 totaled \$40.9 million compared with \$46.8 million in 1962 and \$43.7 million in 1959-61. Principal U.S. exports are cotton, tobacco, and fruit.

Outlook: If stocks are not increased there will be an approximate balance between total meat production and total consumption, but there will be a surplus of pork and import requirements for beef and veal during 1965.

Starting with the 1965 crop, the price of rye will be raised to that of wheat to stimulate receding production. Some extra price advantages to the spring wheat growers are being considered to stimulate spring wheat production with its higher baking quality and protein content, in order to adjust production to domestic market requirements, thereby reducing import requirements as well as exportable surpluses.

SWITZERLAND

Economic situation: The Swiss economy has expanded strongly in recent years, but growth since 1962 has been restricted by labor shortages. GNP rose 4 percent in 1963 and 6 percent in 1962.

Switzerland continues to experience inflation. The cost-of-living index rose 4 percent in 1962 and 1963, or about double the rate of 1960-61. In 1964, the cost-of-living index rose less than 3 percent. To restrain inflation, new laws were passed in early 1964 limiting the use of foreign deposits in Swiss banks and foreign investment, credit expansion, and new construction.

With virtually full employment and strong competition for workers, wages continued to push upward in 1964. By the end of March, wages were nearly 6 percent above March 1963. In response to high wages and job openings, a large number of foreign workers have migrated to Switzerland where they now compose nearly one-fourth of the total labor force. However, the inflow of foreign laborers was restricted in early 1964 to limit the outflow of funds paid as wages, and because of difficulties in providing adequate social services such as health benefits, education, etc.

During the first half of 1964, exports increased 10 percent over the same period in 1963 and imports were up 14 percent. The value of imports exceeded exports by 43 percent in the first half of 1964, compared with 38 percent for the first half of 1963, 35 percent for annual 1963, and 19 percent in 1960. However, as in the past, the trade deficit was offset by capital transactions, receipts from tourism, etc., which resulted in a net surplus in the balance of payments. As a result, gold and foreign exchange holdings expanded to nearly \$2,955 million at the end of June 1964, up \$248 million from June 1963.

The Swiss people enjoyed a per capita income of \$1,702 in 1963, the fourth highest in the world. In 1960 about 31 percent of total consumer expenditures was for food compared with 33 percent a decade earlier.

Agricultural policy: The objectives of Swiss agricultural policy remain essentially the same as established by the 1951 law on agriculture: To maintain a high level of domestic production to insure food supplies, and to maintain a large rural population. Production is encouraged by farm price supports at the highest level in Western Europe. Domestic farm prices are protected through the close control of imports of competitive products. Noncompetitive imports face few restrictions.

Agricultural production: The Swiss agricultural production index was down in 1963/64 to 121 from 124 the previous year. However, it is expected to be about 125 for 1964/65. The major factor reducing the index in 1963/64 was lower beef and veal production. Heavy culling and slaughtering during the spring of 1963 reduced cattle numbers. Increased livestock production (especially pork) is expected to boost the index in 1964/65.

Growing conditions were favorable in the spring of 1964, with temperatures above average, no late frosts, and sufficient rainfall. Summer weather was favorable and resulted in good quality hay and grain harvests. However, pastures, meadow, potatoes, beets, and apples suffered from a lack of moisture during July and early August, particularly in the North and West. More favorable moisture conditions during late August and September improved the situation.

The quality of the 1964 breadgrain crop was good, with output 28 percent above 1963. This larger production was accomplished with only a 2 percent increase in area. With consumption about unchanged, the increased domestic production of higher quality wheat will reduce imports in 1964/65.

The 1964 coarse grain harvest declined slightly from 1963 due mainly to a reduced oat crop. Since grain feeding is expanding, imports are expected to be 90,000 metric tons greater in 1964/65 than in the previous year.

Due to decreased area and lower yields in some areas, the 1964 potato crop was down substantially from 1963. The potato area has declined as a result of the labor shortage. Potato land is being shifted to hay, pasture, and mechanized sugar beet production. Sugar beet area increased 14 percent in 1964; as a result, sugar production was expected to be about 50,000 metric tons compared with 42,000 in 1963.

Milk production, which accounts for about one-third of total Swiss agricultural revenue, declined in 1964 and was estimated at 2,939,000 metric tons. A decline in cow numbers was the main reason production fell. Cow numbers reached a high of 950,000 in April 1962, but then declined to 897,000 head in April 1964. As a result, milk production is expected to be lower again in 1965. Dairy organizations and federal authorities are making special efforts to increase cheese production to take advantage of favorable export markets and increased domestic consumption. Meanwhile, butter production is declining.

Production and consumption of pork increased during 1964 and further gains are expected through 1965. As production will probably increase faster than consumption, imports will be reduced in 1965. Total hog numbers increased from 1,235,000 in April 1962 to 1,313,500 in April 1963 to 1,426,000 in April 1964.

Beef production increased slightly during 1964 and may increase again in 1965. Since beef consumption is increasing faster than production, more imports will be needed.

Consumption of poultry meat continues to increase in Switzerland but at a slower rate than in 1961 and 1962. Increased production in 1964 was estimated to have caused a slight reduction in the level of 1964 imports to about the 1962 level.

Agricultural inputs: Switzerland does not have very much good agricultural land. Only about one-fourth of the land area is cultivated, with another one-fourth in alpine pastures. The remainder is forest and mountain land. The small size of farms further handicaps production. Of 206,000 farms in 1955, less than 9,000 contained more than 20 hectares. Farms not only are small, but many consist of a large number of small scattered plots, averaging 8 plots per farm, and in some areas running as high as 17 or 18 plots per farm.

The mountain regions include about one-third of the agricultural population, one-third of the farms, one-third of the cultivated area, nearly all the pastureland, and two-thirds of the forests. The productivity of labor is about one-third that of the lowland farms. Future increases in production (presently three-fourths livestock products) will come from increased production and productivity of livestock, resulting in increased feed imports. A smaller gain may also come from increased crop yields.

With higher wages in industry, many of the farm population have moved to nonfarm jobs. Between 1955 and 1963 the agricultural labor force declined 32 percent to 262,000. Eleven percent of the country's labor force worked on farms in 1960.

Mechanization is proceeding rapidly in Switzerland. Tractor numbers nearly doubled in the last 5 years. However, the small size of Swiss farms and fragmented holdings greatly restrict extensive mechanization.

The use of commercial fertilizers in Switzerland has increased considerably in recent years. In 1962/63, the application rate per hectare of arable land was 43 kg. of N, 106 kg. of P_2O_5 , 108 kg. of K_2O .

Foreign trade: Agricultural imports totaled \$616 million in 1963, up 7 percent over 1962. They comprised nearly one-fifth of total imports. The only agricultural export of importance was cheese, valued at \$40 million in 1963. Over 40 percent of the cheese exports were sold to Italy. France, with 22 percent, was the second most important market, followed by West Germany, the United States, and Belgium.

Grain is an important Swiss import. The value of all grains and grain preparations imported in 1963 was \$81 million, \$5 million below 1962. In 1963, wheat and flour imports accounted for \$28 million and feedgrains \$35 million. Canada furnished about one-half of the wheat imported in 1963. U.S. exports of wheat and flour to Switzerland in 1963 amounted to nearly \$11 million as compared to \$9 million in 1962. Swiss total feedgrain imports rose from 501,000 metric tons in 1961 to 659,000 in 1963. France, through the use of export subsidies, has become the largest supplier of feedgrains. In 1963, U.S. feedgrain sales were less than half of the 1962 level of 158,000 metric tons, even though total Swiss feedgrain imports were up 6 percent.

Swiss fruit imports amounted to \$79 million and vegetables amounted to \$47 million in 1963. Principal suppliers of fruits and vegetables were Italy, Spain, and France. In 1963, the United States supplied \$14 million of total Swiss imports of fruits and vegetables.

Meat and live animals were important Swiss agricultural imports in 1962, totaling \$66 million. In 1963, about one-fourth of the meat consumed was imported. Nearly one-fourth of the total meat imports was poultry meat. The U.S. share of Swiss poultry meat imports decreased from 70 percent in 1960 to 23 percent in 1963, while total poultry meat imports rose 34 percent. Most of the increased quantity was supplied by France and Denmark.

Switzerland imported raw cotton (\$29 million) and wool (\$32 million) for the textile industry in 1963. The United States supplied \$7 million of the cotton imports in 1963. Swiss unmanufactured tobacco imports in 1963 amounted to \$29 million, of which the United States supplied about one-half.

Outlook: The Swiss have the second highest per capita income in Western Europe. Consumer demand is expected to continue strong in 1965, and should make Switzerland a continued good market for certain U.S. agricultural products. Despite the strong competition experienced in the last 3 years, U.S. agricultural exports rose to \$73 million in the year ended June 1964, nearly \$20 million over the previous year.

Cheese production and exports likely will rise in 1965. Increased pork production in 1965 will result in a decline in pork imports. Poultry meat production will continue to increase, and poultry meat imports probably will level out, with the U.S. share declining.

Wheat imports are expected to decline; the U.S. share may also decline. However, feedgrain imports should rise and prospects are that imports of U.S. feedgrains will increase.

UNITED KINGDOM

Economic situation: After 13 years out of power, the Labour Party formed a new Government following general elections on October 15, 1964. It subsequently took a number of steps to correct a disequilibrium in the U.K.'s international accounts. On October 26, it announced that it would impose a surcharge of 15 percent on the c.i.f. value of certain imports. This action was

designed as a temporary measure to relieve an estimated end-of-year \$2.26 billion balance-of-payments deficit. It does not affect imports of food, unmanufactured tobacco, or basic raw materials. It does, however, affect manufactured tobacco products and agricultural machinery. The government last fall also raised the key "bank rate" for loans from 5 to 7 percent. The Bank for International Settlements and 11 countries arranged to provide the equivalent of \$3 billion to support the U.K.'s defense of the pound sterling. This is in addition to a drawing by the United Kingdom of \$1 billion from the International Monetary Fund.

Agriculture has become a minor sector of the U.K. economy. It employs about 900,000 people, 3.7 percent of the active population, and contributed 4 percent of the gross domestic product in 1960-62.

Agricultural policy: In the past two years agricultural policy has undergone some significant changes which are incorporated in the 1964 Agricultural Act. The traditional open-door policy on imports of most agricultural products has been modified, particularly for cereals and bacon. These changes were designed to exercise some control over the low market prices prevailing during periods of oversupply, which led to very heavy treasury payments under the deficiency payments scheme. If as expected, the changes raise average market prices, the government's total payments to farmers will be lower and the farmer will still receive the guaranteed prices. For the British farmer, the changes should dampen the usual wide swings in market prices.

For cereals, a minimum import price and levy system was introduced. At the same time an element of restraint was put on the farmers through the extension of the "standard quantity" to wheat and barley. Compensation in the form of a deficiency payment is made to farmers for any amount by which the average market price for wheat falls short of the guaranteed price. The total payment is the product of the guaranteed price minus the average market price times the number of units involved. With the introduction of the "standard quantity" to wheat, the payment is calculated for all the wheat produced up to the "standard quantity" and the funds are prorated to cover the entire production. For barley, the payment is based on acreage rather than on sales, but the principle is essentially the same. The system depends on reliable recording of the sales (of wheat), or acreage (of barley), of individual farmers and on an accurate calculation of the average price obtained for all sales. The introduction of the standard quantity reduces the deficiency payment per ton in proportion to the overage and places a limit on the extent of treasury support. In introducing restrictions on imports of grain, the United Kingdom agreed to attempt to maintain the historical share of the market of its external as well as domestic suppliers.

A bacon agreement was reached in November 1963. Under this agreement, each of the traditional suppliers, including the United Kingdom, has been allocated a quota based on existing patterns of supply. Future allocations of the market shares will be made by a bacon market council set up for the purpose.

The government hopes to extend the standard quantity concept to other meat and to reach an agreement, similar to the bacon agreement, for the regulation of the total meat supply. Provisional arrangements have been made with principal beef suppliers, although details are not yet worked out.

An import quota arrangement for butter was worked out with traditional suppliers in 1962, when there was a surplus of butter. However, in 1964 a shortage developed and the United States, which has not been a traditional supplier, applied for a quota.

Agricultural production: The 1964/65 index of agricultural production is up 5 points over 1963/64, reflecting excellent crops but somewhat lower livestock production. Following a mild winter, the spring of 1964 was cool and wet. The rest of the season, up through harvest, was warm, sunny and dry. Crops sown in the fall of 1963 survived the winter in good condition and spring sowing was completed early. Plentiful moisture during the spring and early summer gave the crops a good start and good growth. The warm dry weather from mid-July onward allowed the grain harvest to begin early and to be completed easily. The dry autumn retarded the growth of potatoes and roots.

Wheat production in 1964 was a record 3,760 million metric tons, 23 percent above 1963. The area of wheat in 1964 was 14 percent larger than in 1963 and the yield per hectare was better than either 1963 or the 1959-63 average. The milling quality of the 1964 wheat is reasonably good and U.K. millers have indicated that they will take over 1.4 million metric tons from domestic production.

Barley production reached a record in 1964, due both to expanded area and a record yield. However the quality was disappointing because of a large number of shriveled grains. The amount suitable for brewing may be no more than average. Due to higher yields, oat production nearly held its own despite reduced acreage. Total grain production in 1964 was estimated at about 12.6 million metric tons compared with 11.4 million tons in 1963. The condition of grain in farm storage is reported to be good.

The 1964 apple crop was significantly larger than either the 1963 crop or the 1959-63 average, while pear production was less than in 1963 and slightly below average.

Sugar beet yields were up slightly from 1963, and with good harvesting conditions and increased acreage, beet production was 14 percent larger than in 1963. The sugar content of beets harvested by early November, at over 18 percent, was 2 percent higher than on the same date a year earlier.

Because of the dry summer and fall, production of potatoes, fodder roots, kale, and pasture were reduced. During the fall of 1964, more inroads than usual were made into winter supplies of kale and silage, but supplies of hay and good quality straw should be ample to last a normal winter.

The September livestock census showed a 2.4 percent decrease in beef and dairy cows from a year earlier, but there were more heifers in calf and more calves. The number of sheep and lambs increased slightly, and there was a 5.0 percent increase in the pig breeding herd. The expansion of the pig population will likely continue into 1965. Livestock slaughtering during the first 9 months of 1964 as compared with the same period in 1963 was down 5 percent for cattle, 31 percent for calves, and 1 percent for bacon pigs. Slaughter of sheep and lambs increased about 10 percent; of pork pigs, 4 percent.

Agricultural inputs: Expenditures for farm labor have been high by West European standards, with farm wages increasing at a rate that has forced farm operators to substitute capital improvements and economize on hired labor. Nevertheless, farm wages continue to be below urban or rural nonfarm earnings, and the long-term movement of labor from agriculture continues. Between June 1962 and June 1964 the number of full-time male farm employees dropped 7 percent, from 420,000 to about 390,000. The United Kingdom has one of the most highly

mechanized farm economies in the world, with about 1 tractor for every 30 hectares of arable land. Tractors and most other machinery now purchased are mainly for the replacement of worn or obsolete equipment.

Between 1955/56 and 1963/64, consumption of commercial fertilizers increased markedly. Despite a subsidy on phosphate fertilizers, their use increased only 12 percent, but nitrogen and potash consumption increased 95 and 57 percent, respectively. Fertilizer application in 1963/64, per hectare of agricultural land (including arable land and permanent grassland but omitting rough grazing land) was estimated to be about 46 kilograms of P_2O_5 fertilizer and 37 kilograms of K_2O .

Foreign trade: The United Kingdom is the world's leading importer of agricultural products. These products have averaged about 40 percent of its total imports of about \$13 billion annually in recent years. The leading agricultural imports in 1963 were meat and meat preparations, fruits and vegetables, cereals and cereal preparations, natural fibers, dairy products, eggs, sugar, tea, and spices.

Exports of agricultural products account for about 5.5 percent of total exports. Most agricultural exports are made up of re-exports of products which have been processed in the United Kingdom, such as refined sugar, cocoa, vegetable oils, and clean wool.

About half of the agricultural imports in value terms come from the Commonwealth nations, chiefly Australia, New Zealand, and Canada. The United States ranks first among non-Commonwealth suppliers, furnishing about 7 percent of the total in 1963. EFTA countries supplied about 8 percent, of which 83 percent was of Danish origin, and the EEC supplied about 7 percent.

The United Kingdom is the United States' most important European market for agricultural products. For the year ended June 1964, the United Kingdom was the United States' second most important market following Japan. (See footnote 5, page 48) The United Kingdom bought an average of \$436.3 million of U.S. agricultural products annually during 1959-63. Major products were unmanufactured tobacco (\$118.3 million), feedgrains (\$111.8 million), cotton (\$41.7 million), animal fats and oils, principally lard (\$34.0 million), wheat (\$26.8 million), and fruit and fruit preparations (\$26.7 million).

Outlook: A bill has been introduced into Parliament which may be in effect for the 1965 crop. This bill provides for a marketing authority for home-grown cereals. This authority will have the power to pay premiums to farmers who will enter into forward sales contracts for delayed delivery. This will be an effort to phase the delivery of the new crop so as to modify the price slump which occurs at such times. The authority will also act as a clearing house for information on supply and demand for grain and it will foster research in standardization of sales procedures, marketing, storage, and physical handling of domestic cereals. The authority may also get some limited trading power of its own, though only if experience proves it necessary.

The 15 percent surcharge on imports will add to farm costs. If agricultural inputs continue to be imported at 1963 levels, \$4.9 million could be added to the machinery bill. In addition to added machinery costs, some expense will be involved in the annual purchase of \$225 million of miscellaneous imports such as sacks, wire, and electrical goods.

The impact of the cereals and bacon agreements, and the meat agreement, if concluded, will depend upon the effectiveness of the actions taken to maintain the historical proportional share of the market for domestic and overseas suppliers.

Table 3.--Western Europe: Selected demographic and economic characteristics

Country	Population	Total labor force	Agricultural labor force 1/	Agricultural labor force 1/ as proportion of total labor force	
	1963	1962	1962	1962	1953
	<u>Million</u>	<u>Million</u>	<u>Million</u>	<u>Percent</u>	<u>Percent</u>
Austria	7.2	3.1	0.7	21.4	31.9
Belgium	9.3	3.6	.2	6.7	9.5
Denmark	4.7	2.2	.4	19.1	23.6
Finland	4.5	2.2	.7	32.6	<u>2/</u> 46.0
France	47.9	18.9	3.9	20.7	<u>4/</u> 28.2
West Germany	57.6	25.8	3.5	13.5	20.8
Greece	8.5	<u>3/</u> 3.7	<u>3/</u> 2.0	<u>3/</u> 53.4	<u>5/</u> 48.2
Ireland	2.8	1.1	.4	33.4	36.9
Italy	50.5	20.3	5.5	28.0	39.9
Netherlands	12.0	<u>3/</u> <u>6/</u> 4.3	<u>3/</u> <u>6/</u> .4	<u>3/</u> 9.8	<u>6/</u> 13.0
Norway	3.7	1.5	.3	20.8	27.0
Portugal	8.7	<u>7/</u> 3.4	<u>7/</u> 1.4	<u>7/</u> 42.5	<u>4/</u> 49.1
Spain	31.1	12.0	4.6	38.7	45.5
Sweden	7.6	3.8	.5	13.0	<u>2/</u> 20.4
Switzerland	5.8	<u>7/</u> 2.5	<u>7/</u> .3	<u>7/</u> 11.1	<u>2/</u> 16.5
United Kingdom	53.8	25.0	.9	3.7	5.0

1/ Includes forestry, fishing, and hunting.

2/ 1950.

3/ 1961.

4/ 1954.

5/ 1951.

6/ Data expressed in man-year equivalents, i.e., one man-year equals 300 days of work.

7/ 1960.

Table 3.--Western Europe: Selected demographic and economic characteristics--Continued

Consumer expenditures				Gross national product			
Total		Share		Average		Average	
		spent for food		1960-62		1950-52	
1962	1953	1962	1953	1960-62	1950-52	1960-62	1950-52
Million dollars	Million dollars	Percent	Percent	Million dollars	Million dollars	Percent	Percent
4,444	2,019	43	39	6,779	2,470	11.4	16.5
8,940	6,240	28	30	12,071	7,959	7.1	8.3
4,928	2,617	24	28	6,642	3,307	13.6	21.2
3/2,939	2,213	3/37	40	4,888	2,834	20.4	26.0
46,970	29,006	31	37	66,122	34,990	9.2	13.5
50,950	20,867	37	41	81,525	27,889	6.4	12.0
2,851	1,324	43	49	3,608	2,281	29.2	34.4
1,585	1,068	35	39	1,982	1,183	24.4	33.2
24,010	13,353	43	47	35,800	15,851	17.2	27.4
7,633	3,854	31	35	12,329	5,560	9.8	12.8
3,160	1,815	29	30	4,914	2,530	10.2	14.6
2,247	1,243	41	54	2,562	1,603	24.5	29.6
9,308	6,255	40	35	11,647	5,340	25.7	38.9
8,492	4,802	28	32	13,434	6,609	7.5	15.3
7/6,605	2/3,719	7/31	2/33	9,628	5,180	5.0	6.0
51,528	31,710	28	31	75,332	40,593	4.0	5.7

Population and expenditures: O.E.C.D. General Statistics and the supplement to the General Statistics.

Labor Force: O.E.C.D. Manpower Statistics, Economic Survey of various countries, and Yearbook of International Labor Statistics.

Gross National Product, Gross Domestic Product, and Gross Agricultural Product: O.E.C.D. National Account Statistics, General Statistical Supplement and United Nations Yearbook of National Account Statistics.

Table 4.--Western Europe: Production of principal livestock products,
1962, 1963, and 1964 1/

Country and year	Beef and veal	Mutton, lamb, and goatmeat	Pork <u>2/</u>	Total meat	Cow's milk	Butter
	1,000 metric tons					
Austria:						
1962 <u>3/</u>	143	1	218	368	3,005	39.9
1963 <u>3/</u>	143	1	223	371	3,066	40.4
1964 <u>3/</u>	142	1	232	378	3,066	<u>4/</u> 40.0
Belgium-Luxembourg:						
1962	205	2	212	432	4,193	93.4
1963	248	2	226	489	4,183	87.1
1964	230	1	221	466	4,057	87.0
Denmark:						
1962	180	1	633	816	5,355	166.9
1963	201	1	652	856	5,090	149.2
1964	160	1	694	864	5,191	153.8
Finland:						
1962	78	2	67	150	3,644	96.2
1963	86	2	66	158	3,758	102.6
1964	100	2	68	175	3,833	113.9
France:						
1962	1,633	129	1,010	2,871	24,300	296.7
1963	1,633	115	956	2,808	25,536	336.0
1964	1,583	118	928	2,753	25,281	<u>4/</u> 311.0
West Germany:						
1962	1,140	13	1,766	2,934	20,295	472.2
1963	1,146	13	1,770	2,942	20,702	493.0
1964	1,134	13	1,867	3,028	20,820	504.2
Greece:						
1962	35	74	28	137	514	12.2
1963	54	89	34	178	547	12.0
1964	58	91	36	185	574	11.7
Ireland:						
1962	111	37	113	261	2,866	61.7
1963	111	39	109	259	2,911	61.1
1964	113	46	110	269	3,057	67.1
Italy:						
1962	704	48	474	1,273	9,634	67.6
1963	750	51	477	1,326	9,370	57.0
1964	800	51	465	1,338	9,183	55.0

Table 4.--Western Europe: Production of principal livestock products,
1962, 1963, and 1964 1/ --Continued

Country and year	Beef and veal	Mutton, lamb, and goatmeat	Pork 2/	Total meat	Cow's milk	Butter
	----- 1,000 metric tons -----					
Netherlands:						
1962	279	9	418	717	7,311	101.6
1963	323	8	416	756	7,011	94.4
1964	274	6	416	764	6,743	82.6
Norway:						
1962	59	14	58	134	1,651	20.0
1963	56	14	54	127	1,669	20.3
1964	54	14	55	128	1,676	19.4
Portugal:						
1962	52	21	92	166	4/318	5/2.7
1963	49	21	90	163	4/323	5/2.4
1964	49	21	90	163	4/324	4/ 5/2.4
Spain:						
1962	163	126	258	567	4/2,980	4/4.0
1963	170	144	300	634	4/3,213	4/4.0
1964	175	142	338	726	4/3,288	4/4.0
Sweden:						
1962	156	1	222	386	4,035	91.6
1963	165	2	209	384	3,881	84.8
1964	166	2	210	384	3,826	79.6
Switzerland:						
1962	117	4	144	270	3,113	34.5
1963	111	4	152	273	3,093	34.7
1964	113	4	161	284	2,939	27.5
United Kingdom:						
1962	918	254	787	1,959	13,495	70.8
1963	945	245	806	1,996	13,159	54.1
1964	926	279	830	2,036	12,762	32.2
Totals:						
1962	5,973	736	6,499	13,441	106,709	1,632.0
1963	6,192	752	6,540	13,720	107,512	1,633.1
1964	6,078	793	6,720	13,941	106,620	1,591.4

1/ Preliminary. 2/ Excludes lard. 3/ Meat production data include variety meats.
4/ ERS-USDA estimates. 5/ Creamery butter only.

Meat is carcass weight basis. Total meat includes horsemeat but excludes variety,
except as noted, rabbit and poultry meat.

Table 5.--Western Europe: Production and area of selected crops, average 1950-54, annual 1963 and 1964 1/

Country and year	Production								Area				
	Potatoes:	Sugar beets 2/	Cotton: 3/	Tobacco:	Olive: oil	Fruit			Potatoes:	Sugar beets 2/	Cotton: 3/	Tobacco	
						Apples:	Pears:	Citrus:					
	1,000 metric tons								1,000 hectares				
Austria:													
1950-54	2,758	1,048	---	.7	---	285	185	---	180	38	---	.4	
1963	3,488	2,090	---	.7	---	316	154	---	160	49	---	.4	
1964	3,084	2,100	---	.8	---	305	150	---	157	53	---	.4	
Belgium-Luxembourg:													
1950-54	4/2,230	4/2,249	---	4.6	---	306	190	---	4/91	4/62	---	2.0	
1963	4/1,529	4/2,135	---	2.9	---	150	4/ 50	---	4/69	4/57	---	1.2	
1964	4/1,461	4/3,065	---	2.8	---	166	4/ 70	---	4/60	4/63	---	.8	
Denmark:													
1950-54	2,000	2,261	---	---	---	215	22	---	105	66	---	---	
1963	1,334	2,598	---	---	---	5/83	5/7	---	64	69	---	---	
1964	1,157	2,750	---	---	---	5/83	5/9	---	55	74	---	---	
Finland:													
1950-54	1,315	256	---	---	---	14	n.a.	---	92	11	---	---	
1963	1,220	480	---	---	---	---	n.a.	---	77	20	---	---	
1964	1,021	520	---	---	---	---	n.a.	---	71	20	---	---	
France:													
1950-54	14,388	11,940	---	54.0	9	3,934	725	---	1,077	403	---	28.7	
1963	15,817	13,951	---	40.6	2	3,177	690	---	834	371	---	22.7	
1964	11,667	14,000	---	36.0	2	3,346	703	---	741	423	---	20.6	
West Germany:													
1950-54	25,610	7,933	---	26.0	---	1,399	442	---	1,160	224	---	10.5	
1963	25,814	12,684	---	11.6	---	1,962	424	---	925	303	---	4.0	
1964	20,181	12,500	---	9.3	---	1,265	433	---	852	328	---	4.0	
Greece:													
1950-54	422	---	30.0	58.2	104	40	33	156	38	---	88.6	93.9	
1963	585	351	93.6	128.6	209	133	45	299	50	9	230.7	146.5	
1964	621	521	67.5	127.6	136	157	52	366	50	12	141.6	146.1	
Ireland:													
1950-54	2,694	656	---	---	---	n.a.	n.a.	---	127	26	---	---	
1963	1,969	937	---	---	---	n.a.	n.a.	---	83	35	---	---	
1964	1,678	945	---	---	---	n.a.	n.a.	---	74	32	---	---	
Italy:													
1950-54	2,849	5,831	6.7	72.6	273	802	358	949	390	206	33.2	53.0	
1963	4,386	7,882	5.2	65.2	499	2,336	962	1,565	386	229	16.2	48.6	
1964	3,937	7,400	6.5	75.4	318	2,360	1,002	1,483	356	230	16.2	53.8	
Netherlands:													
1950-54	4,069	2,833	---	---	---	338	143	---	154	69	---	---	
1963	3,856	2,724	---	---	---	285	104	---	135	69	---	---	
1964	4,005	3,900	---	---	---	351	125	---	125	79	---	---	
Norway:													
1950-54	1,138	---	---	---	---	50	7	---	57	---	---	---	
1963	1,216	---	---	---	---	48	7	---	52	---	---	---	
1964	803	---	---	---	---	54	7	---	49	---	---	---	
Portugal:													
1950-54	1,139	---	---	---	74	n.a.	n.a.	n.a.	89	---	---	---	
1963	1,075	---	---	---	100	n.a.	n.a.	6/60	95	---	---	---	
1964	1,025	---	---	---	50	n.a.	n.a.	6/62	93	---	---	---	
Spain:													
1950-54	3,561	2,438	13.5	26.2	340	208	69	1,248	355	117	68.4	17.4	
1963	5,461	2,479	96.9	24.9	590	368	102	1,917	455	145	263.0	16.6	
1964	4,368	3,500	75.1	22.0	272	316	141	1,880	418	175	198.3	15.0	
Sweden:													
1950-54	1,701	1,820	---	.3	---	167	37	---	130	54	---	.4	
1963	1,610	1,574	---	.1	---	218	43	---	93	40	---	.1	
1964	1,225	1,857	---	---	---	261	50	---	81	44	---	---	
Switzerland:													
1950-54	1,193	216	---	2.0	---	482	258	---	57	6	---	1.2	
1963	1,479	297	---	1.7	---	410	161	---	45	7	---	.8	
1964	1,302	330	---	1.7	---	414	181	---	43	8	---	.8	
United Kingdom:													
1950-54	8,378	4,834	---	---	---	618	37	---	421	170	---	---	
1963	6,682	5,338	---	---	---	579	68	---	311	171	---	---	
1964	6,432	6,096	---	---	---	725	66	---	316	180	---	---	
Totals:													
1950-54	75,445	44,315	50.2	244.6	800				4,523	1,452	190.2	207.5	
1963	77,521	55,520	195.7	276.3	1,400	not available			3,834	1,574	509.9	240.9	
1964	63,967	59,484	149.1	275.6	778				3,541	1,721	356.1	241.5	

1/ All 1964 data are estimates. 2/ ERS-USDA estimates. 3/ 1963 data are preliminary. 4/ Belgium only.
5/ Commercial crop. 6/ ERS-FAS-USDA estimates. n.a.--Not available.

Table 5.--Western Europe: Production and area of selected crops, average 1950-54, annual 1963 and 1964 1/

Production										Area									
Wheat	Rye	Feed grains				Rice	Total			Wheat	Rye	Feed grains				Rice	Total		
		Barley	Oats	Other	Total		grains					Barley	Oats	Other	Total		grains		
1,000 metric tons										1,000 hectares									
461	419	289	351	161	801	---	1,681	231	243	147	218	76	441	---	915				
690	323	618	342	244	1,204	---	2,217	275	156	229	152	71	452	---	883				
760	386	683	340	249	1,272	---	2,418	288	166	227	142	73	442	---	896				
590	236	269	509	4	782	---	1,608	189	89	86	185	1	272	---	550				
809	131	510	447	24	981	---	1,921	218	44	143	115	11	269	---	531				
905	140	527	437	25	989	---	2,034	230	43	134	135	11	280	---	553				
289	313	1,948	853	792	3,593	---	4,195	79	131	562	262	278	1,102	---	1,312				
495	319	3,399	671	3	4,073	---	4,887	135	116	938	186	1	1,125	---	1,376				
520	280	3,715	760	1	4,476	---	5,276	124	92	940	209	1	1,150	---	1,366				
238	170	237	781	30	1,048	---	1,456	153	112	145	463	18	626	---	891				
397	124	492	821	67	1,380	---	1,901	239	76	262	444	35	741	---	1,056				
466	183	434	793	53	1,285	---	1,934	268	102	252	470	32	754	---	1,124				
8,580	516	1,946	3,517	859	6,322	70	15,488	4,418	447	1,098	2,265	509	3,872	17	8,754				
10,249	347	7,384	2,876	4,380	14,640	117	25,353	3,849	226	2,537	1,281	1,221	5,039	30	9,144				
13,618	382	6,685	2,236	2,354	11,275	130	25,405	4,424	227	2,330	1,134	1,077	4,541	30	9,222				
3,000	3,338	1,792	2,617	781	5,190	---	11,528	1,104	1,387	701	1,085	318	2,104	---	4,595				
4,844	3,239	3,560	2,320	1,457	7,337	---	15,420	1,376	1,138	1,144	770	494	2,408	---	4,922				
5,185	3,609	3,913	2,232	1,515	7,660	---	16,454	1,441	1,146	1,150	768	486	2,404	---	4,991				
1,090	54	227	139	283	649	63	1,856	975	63	211	148	297	656	18	1,712				
1,387	20	243	136	319	698	83	2,188	935	21	183	117	200	500	19	1,475				
2,170	22	273	158	300	731	105	3,023	1,208	19	183	118	165	466	24	1,717				
355	---	194	562	---	756	---	1,111	146	---	70	248	---	318	---	464				
301	2	594	368	---	962	---	1,265	94	1	174	135	---	309	---	404				
305	2	625	376	---	1,001	---	1,308	87	1	184	132	---	316	---	404				
7,840	131	284	544	2,851	3,679	853	12,503	4,891	96	251	461	1,342	2,054	166	7,207				
8,127	77	280	548	3,728	4,556	589	13,349	4,395	53	204	400	1,204	1,808	115	6,371				
8,590	86	266	508	3,885	4,659	700	14,035	4,408	51	198	387	1,163	1,748	122	6,329				
310	474	241	468	58	767	---	1,551	85	173	74	149	20	243	---	501				
530	313	387	424	145	956	---	1,799	126	106	101	112	42	255	---	487				
718	361	372	410	119	901	---	1,980	151	106	87	103	34	224	---	481				
46	2	160	170	8	338	---	386	23	1	66	76	3	145	---	169				
18	2	463	113	3	579	---	599	7	1	179	44	1	224	---	232				
19	2	503	106	2	611	---	632	7	1	187	43	1	231	---	239				
640	184	122	137	432	691	139	1,654	722	264	154	313	479	946	32	1,964				
505	209	66	99	517	682	164	1,560	678	309	133	288	513	934	38	1,959				
450	134	47	82	521	650	166	1,400	610	306	130	274	480	884	39	1,839				
4,218	492	1,934	512	686	3,132	344	8,186	4,237	618	1,580	615	402	2,597	65	7,517				
4,861	430	2,070	460	1,100	3,630	349	9,270	4,135	445	1,405	520	472	2,397	64	7,041				
3,949	350	1,600	388	1,200	3,188	335	7,822	4,070	423	1,371	496	490	2,357	62	6,912				
807	262	323	844	681	1,848	---	2,917	363	126	142	492	313	947	---	1,436				
637	82	1,229	1,179	455	2,863	---	3,582	251	42	492	522	191	1,205	---	1,498				
953	115	1,308	1,208	449	2,965	---	4,033	272	44	471	517	180	1,168	---	1,484				
257	36	56	72	27	155	---	448	91	14	21	26	10	57	---	162				
305	43	103	39	24	166	---	514	107	14	32	13	7	52	---	173				
389	57	103	32	25	160	---	606	108	15	32	10	7	49	---	172				
2,576	53	2,184	2,711	762	5,657	---	8,286	916	24	830	1,155	317	2,302	---	3,242				
3,046	22	6,705	1,461	120	8,286	---	11,354	780	8	1,907	524	40	2,471	---	3,259				
3,759	23	7,323	1,393	99	8,815	---	12,597	892	8	2,049	458	32	2,539	---	3,439				
31,297	6,680	12,206	14,787	8,415	35,408	1,469	74,854	18,623	3,788	6,138	8,161	4,383	18,682	298	41,391				
37,201	5,683	28,103	12,304	12,586	52,993	1,302	97,179	17,600	2,756	10,063	5,623	4,503	20,189	266	40,811				
42,756	6,132	28,377	11,464	10,797	50,638	1,436	100,962	18,588	2,750	9,925	5,396	4,232	19,553	277	41,168				

Table 6.--United States: Total agricultural exports and agricultural exports by major commodity groups to Western Europe, by country, EEC and EFTA, average 1956-58 and 1959-61, annual 1962 and 1963

Country and year	Total 1/	Grains and preparations			Cotton excl. linters	Tobacco, unmanu- factured	Vegetable fats and oils 1/ 3/	Oil- seeds	Oilcake and meal (protein meal)
		Wheat and:	Rice, :	Feed					
		flour	milled	grains					
		1/	1/	1/ 2/					
----- Million dollars -----									
United Kingdom									
1956-58	443.9	52.3	.4	85.0	94.4	121.2	2.7	6.2	1.6
1959-61	455.3	32.1	3.1	111.6	52.4	128.6	3.2	9.6	1.6
1962	407.6	21.7	5.1	135.8	26.0	84.4	1.5	14.0	.4
1963	408.0	15.8	7.0	88.2	25.5	122.2	2.4	15.1	.5
West Germany									
1956-58	354.1	42.5	.7	29.6	86.9	49.9	24.0	29.9	.7
1959-61	343.7	20.4	5.8	49.4	52.2	52.2	22.4	37.3	4.2
1962	391.1	11.8	10.5	75.2	15.0	63.4	7.9	52.6	8.6
1963	361.4	15.9	7.4	44.9	35.4	64.5	7.2	61.1	9.7
Netherlands									
1956-58	238.8	25.0	.3	60.0	19.4	14.2	11.1	37.7	2.1
1959-61	318.7	25.6	3.4	102.9	21.6	16.4	11.6	61.1	7.5
1962	365.8	29.3	2.4	136.1	11.9	16.1	4.4	66.6	16.7
1963	356.6	23.2	3.3	117.1	13.5	18.2	10.3	54.6	14.0
Italy									
1956-58	171.9	16.2	5/	4.1	71.0	5.1	14.0	1.2	3.2
1959-61	170.6	47.7	.2	6.7	58.1	7.0	2.8	11.4	2.7
1962	175.7	11.5	5/	41.2	39.9	12.8	.7	30.8	.5
1963	207.1	15.4	5/	64.2	34.3	8.4	.6	28.3	12.0
Belgium									
1956-58	137.4	15.4	1.5	44.7	26.2	7.9	2.2	10.5	1.6
1959-61	126.5	8.3	1.7	48.8	20.5	9.3	1.0	12.0	3.3
1962	131.8	6.2	.8	60.3	10.8	9.7	.1	16.2	6.4
1963	132.4	7.3	2.1	48.4	12.7	9.3	.2	15.4	7.6
Spain									
1956-58	136.7	.7	0	4.8	35.6	3.0	61.4	5/	.1
1959-61	119.1	26.0	.4	14.4	25.7	2.4	37.8	.1	2.5
1962	98.7	22.3	0	12.2	5/	5/	43.2	.4	3.2
1963	122.5	5.8	0	52.2	.3	1.3	24.7	2.5	16.4
France									
1956-58	103.3	21.6	.1	3.2	54.4	4.7	.4	7.3	.2
1959-61	101.0	5.7	5/	.8	64.5	4.1	.6	7.7	1.4
1962	86.3	5.5	.5	4.7	28.3	3.4	.1	7.7	13.8
1963	113.9	11.1	.6	1.3	35.6	3.8	.1	10.0	18.1
Denmark									
1956-58	41.3	3.9	5/	5.7	2.9	8.5	.1	11.8	1.8
1959-61	55.9	.9	.1	15.6	2.6	10.2	.1	17.2	3.0
1962	63.7	.2	.3	10.8	2.0	11.6	.1	22.0	8.4
1963	77.2	5/	.2	6.4	1.8	11.1	.1	37.2	10.7
Switzerland									
1956-58	50.8	6.3	.3	2.2	10.7	9.3	.8	.9	5/
1959-61	52.2	5.1	.3	2.5	12.0	9.5	.6	1.6	.3
1962	61.6	9.0	.7	8.3	6.7	10.4	5/	2.2	2.3
1963	59.1	10.7	1.0	4.2	9.1	9.4	.4	1.3	.9
Sweden									
1956-58	45.4	1.9	.2	1.0	12.5	10.6	.2	.6	.6
1959-61	43.7	.8	.4	2.5	10.9	12.4	.2	5/	.1
1962	46.8	.5	.6	1.2	9.5	13.0	.5	5/	.2
1963	40.9	1.1	.5	.2	8.5	9.7	.8	5/	5/

See footnotes at end of table.

Table 6.--United States: Total agricultural exports and agricultural exports by major commodity groups to Western Europe, by country, EEC and EFTA, average 1956-58 and 1959-61, annual 1962 and 1963

Fruits and preparations	:Vegetables : and : preparations : 1/	: Nuts : and : preparations :	: Animal : fats and : oils :	: Poultry : meat :	: Other : meats and : products :	: Hides : and : skins :	: Dairy : products : 1/	: Other : 1/ 4/
----- Million dollars -----								
19.1	5.2	5/	23.6	.1	1.3	3.6	.5	26.7
25.2	14.5	.5	32.4	.7	6.7	2.4	2.6	28.3
33.8	17.0	.8	33.9	1.1	7.7	1.9	.4	21.8
24.0	28.0	1.1	39.1	1.1	7.7	3.4	.6	26.4
24.4	5.1	2.5	10.8	1.8	5.4	9.1	3.6	27.2
20.0	7.6	1.8	9.4	23.9	7.0	8.9	2.0	19.4
31.1	13.4	2.3	7.4	42.1	6.2	7.5	.5	35.5
24.3	14.4	2.8	7.5	22.2	6.9	4.7	2.7	29.8
18.5	1.7	1.5	17.5	.4	8.3	7.5	.1	13.4
12.6	2.6	.9	18.1	3.6	6.9	9.7	.8	13.6
16.2	5.4	.4	12.2	7.8	6.7	10.2	.2	23.3
16.9	6.3	.9	15.1	4.9	8.1	8.2	6.3	35.5
.5	.6	.1	20.8	5/	5/	1.6	11.4	22.0
1.4	.5	5/	17.8	.1	.1	2.2	4.4	7.5
2.8	1.6	5/	14.0	.3	.1	2.0	3.8	13.7
3.0	3.9	5/	11.0	.7	.1	2.5	10.3	12.2
12.9	1.2	.4	3.6	5/	1.3	.5	.7	6.7
9.8	1.3	.3	2.6	5/	.4	.6	.8	5.6
10.4	1.6	.1	1.2	.1	.7	.1	.2	6.7
11.0	3.3	.2	1.6	.1	.7	.1	5.0	7.3
5/	.5	0	2.2	0	8.0	.1	4.5	15.7
5/	.8	5/	2.9	.1	5/	.3	3.2	2.4
.4	.7	5/	5.7	.1	.1	.6	4.1	5.7
.6	2.1	5/	7.5	.1	.2	.7	4.4	3.8
2.5	.5	.3	.5	5/	.8	.8	.7	5.3
5.2	1.1	.9	1.1	5/	1.8	.6	5/	5.3
6.2	2.7	.3	.4	5/	3.5	.8	.4	8.1
9.3	5.2	.3	1.0	.1	7.8	.8	5/	8.7
2.7	.1	.1	5/	5/	5/	.2	.5	2.9
3.6	.3	.1	5/	5/	5/	.1	.1	2.1
5.2	.8	.1	5/	5/	5/	.1	5/	2.2
4.7	1.0	.1	5/	5/	.1	5/	1.2	2.5
5.5	3.3	1.7	1.8	2.6	.4	.6	.2	4.4
3.9	2.9	.4	.8	6.9	.3	.8	5/	4.3
4.7	2.9	.3	1.4	6.2	.2	.5	.3	5.5
4.3	2.8	.7	2.6	3.3	.3	.3	1.2	6.5
11.3	1.4	1.4	.1	5/	1.6	.4	5/	1.6
10.0	2.4	.6	5/	5/	.9	.7	.1	1.8
13.0	3.6	1.4	5/	5/	.8	.3	5/	2.3
10.0	4.2	1.7	5/	5/	1.0	.6	.1	2.4

Continued-

Table 6.--United States: Total agricultural exports and agricultural exports by major commodity groups to Western Europe, by country, EEC and EFTA, average 1956-58 and 1959-61, annual 1962 and 1963--Con.

Country and year	Total 1/	Grains and preparations			Cotton : excl. : linters	Tobacco, : unmanu- : factured	Vegetable : fats and : oils 1/ 3/	Oil- seeds	Oilcake and meal (protein meal)
		Wheat and : flour 1/	Rice, : milled 1/	Feed : grains 1/ 2/					
Million dollars									
Norway									
1956-58	27.9	4.2	5/	5.8	1.7	5.1	5/	3.4	1.2
1959-61	31.8	5.3	5/	6.4	1.6	5.1	5/	5.8	.7
1962	38.9	4.6	.1	8.3	1.5	6.1	5/	8.0	1.9
1963	35.5	2.5	.1	7.5	1.5	5.1	.1	7.1	2.7
Greece									
1956-58	44.4	19.3	.4	4.7	1.6	0	5.7	5/	5/
1959-61	22.3	7.6	.7	6.1	.4	5/	1.8	5/	.1
1962	18.0	4.7	.2	6.2	.3	0	5/	0	.4
1963	28.6	6.3	.6	9.5	.1	5/	4.8	5/	.6
Ireland									
1956-58	16.6	1.4	5/	2.8	.6	8.1	.1	0	.5
1959-61	19.3	.2	5/	4.2	.6	10.4	5/	0	.5
1962	36.8	.7	.1	11.1	.8	18.9	0	0	1.6
1963	24.1	.5	.1	5.1	.2	12.8	5/	0	1.3
Finland									
1956-58	12.5	3.9	0	.6	3.4	2.8	5/	.1	.2
1959-61	12.6	.6	0	.1	3.5	3.8	.1	.3	0
1962	16.7	0	5/	5/	1.3	5.8	5/	2.7	0
1963	19.3	.3	.1	1.1	2.1	5.5	5/	2.5	0
Portugal									
1956-58	17.7	5.1	0	5/	6.1	3.2	5/	5/	5/
1959-61	14.3	5.9	.3	5/	2.6	3.8	5/	5/	5/
1962	23.9	14.6	0	5/	1.3	4.5	5/	5/	5/
1963	15.5	3.4	1.0	5/	1.7	3.2	5/	5/	5/
Austria									
1956-58	30.4	4.3	5/	10.4	6.9	2.9	.2	0	0
1959-61	21.1	1.2	.1	12.4	4.2	1.4	5/	5/	0
1962	23.1	.4	0	12.9	3.4	4.2	5/	0	0
1963	11.6	0	5/	3.4	2.3	2.4	.2	0	0
EEC 6/									
1956-58	1,005.5	120.7	2.6	141.6	257.9	81.8	51.7	86.6	7.9
1959-61	1,060.5	107.8	11.1	208.6	216.7	89.0	38.4	129.5	19.1
1962	1,150.7	64.3	14.2	317.6	106.0	105.5	13.2	174.0	46.0
1963	1,171.4	73.0	13.4	275.9	131.6	104.2	18.4	169.4	61.5
EFTA 7/									
1956-58	657.3	78.1	.9	110.2	135.2	161.0	3.9	22.9	5.3
1959-61	674.3	51.1	4.4	151.0	86.2	171.1	4.1	34.2	5.6
1962	665.6	51.0	6.8	177.2	50.4	134.3	2.1	46.2	13.3
1963	647.8	33.6	9.8	110.0	50.5	163.1	4.0	60.8	14.8
Western Europe									
1956-58	1,873.0	224.1	3.9	264.7	434.3	256.7	122.8	109.6	14.0
1959-61	1,908.1	193.3	16.6	384.4	333.1	276.7	82.2	164.1	27.8
1962	1,986.5	143.0	21.3	524.3	158.8	264.5	58.5	223.3	64.5
1963	2,013.7	119.5	24.0	453.8	184.7	286.9	51.9	235.2	94.6

Table 6.--United States: Total agricultural exports and agricultural exports by major commodity groups to Western Europe, by country, EEC and EFTA, average 1956-58 and 1959-61, annual 1962 and 1963--Con.

Fruits and preparations	Vegetables and preparations	Nuts and preparations	Animal fats and oils	Poultry meat	Other meats and products	Hides and skins	Dairy products	Other
	1/						1/	1/ 4/
Million dollars								
4.9	.3	.4	.2	0	.1	.1	0	.6
4.2	.5	.2	.2	0	5/	.1	5/	1.6
4.8	1.0	.3	.2	5/	5/	.1	5/	1.9
4.7	1.0	.5	.2	2/	.1	.1	2/	2.3
5/	5/	5/	.8	5/	5/	.3	2.6	8.8
2/	.1	0	.3	.3	5/	.2	.9	3.6
5/	.1	5/	.2	.9	5/	.3	.9	3.7
2/	1.0	0	.3	2.2	5/	.2	.8	2.0
1.9	.1	.1	.2	0	5/	5/	5/	.8
2.3	.1	.1	.1	5/	5/	5/	5/	.9
2.4	.3	5/	5/	5/	0	5/	5/	1.0
2.6	.3	.1	.1	2/	0	5/	5/	.9
1.2	5/	5/	.1	0	5/	5/	5/	.1
3.1	.1	.2	.1	0	5/	.1	5/	.6
5.3	.1	.3	5/	5/	5/	.1	5/	1.0
5.2	.2	.3	5/	5/	.1	5/	5/	1.9
5/	5/	0	5/	0	5/	.1	.7	2.4
2/	2/	0	2/	0	5/	5/	1.0	.5
5/	.1	5/	5/	0	5/	0	1.3	2.0
2/	1.4	5/	1.1	0	5/	5/	2.3	1.4
.3	5/	5/	2.0	0	5/	.3	.4	2.6
.4	.1	5/	.1	.2	5/	.3	.2	.5
.7	.1	5/	0	.8	5/	.1	5/	.4
1.0	.3	5/	0	1.1	5/	.1	.2	.5
58.9	9.1	4.7	53.2	2.3	15.8	19.4	16.6	74.6
49.0	13.2	3.8	49.1	27.6	16.2	22.1	8.0	51.4
66.7	24.6	3.0	35.2	50.3	17.1	20.6	5.0	87.3
64.5	33.1	4.3	36.2	27.9	23.6	16.4	24.3	93.6
43.6	10.4	3.6	27.6	2.7	3.4	5.3	2.2	41.3
47.4	20.7	1.8	33.5	7.8	7.9	4.4	4.0	39.0
62.2	25.5	2.9	35.6	8.1	8.9	3.0	2.2	36.0
48.8	38.7	4.1	42.9	5.6	9.2	4.6	5.6	41.9
105.6	20.1	8.4	84.1	5.0	27.2	25.1	25.9	141.3
101.8	35.0	5.9	86.0	35.8	24.1	27.1	16.1	97.9
137.0	51.4	6.2	76.7	59.4	26.1	24.7	12.2	134.7
121.7	77.2	8.8	87.0	35.8	33.1	21.9	35.1	146.9

1/ Includes food exported for relief or charity by individuals and private agencies. 2/ Feedgrains: Barley, corn, oats, and grain sorghums, excluding products. 3/ Excludes essential oils which are included in "other". 4/ Other commodities: Mainly feeds and fodders, field and garden seeds, coffee, hops, essential oils, sugar and related products, and live animals. 5/ Less than \$50,000. 6/ The European Economic Community (Common Market) includes the Netherlands, Belgium and Luxembourg, France, West Germany, and Italy. 7/ The European Free Trade Association includes the United Kingdom, Denmark, Switzerland, Sweden, Norway, Austria, and Portugal.

Compiled from official records, Bureau of the Census.

Table 7.--Western Europe: Agricultural imports by country, European Economic Community, and total Western Europe, 1961, 1962, and 1963

Commodity and year	SITC		European Economic Community						
	number		Belgium-Luxembourg	Netherlands	West Germany	France	Italy	Greece	Total
	Major	Sub							
	headings	headings							
		1/							
----- Million dollars -----									
Live animals	1961	00	7.5	14.3	138.4	30.5	72.1	16.7	279.5
	1962		5.4	11.3	104.0	36.1	83.5	10.6	251.0
	1963		4.9	8.0	88.2	49.1	176.9	6.4	333.5
Meat and meat preparations	1961	01	23.2	21.8	226.3	63.2	47.6	13.3	395.5
	1962		22.7	21.4	277.8	45.8	96.2	15.6	479.5
	1963		34.4	24.5	246.0	128.8	230.8	26.8	691.3
Dairy products and eggs	1961	02	29.2	6.2	267.2	20.7	90.9	10.1	424.3
	1962		28.8	4.5	256.0	29.4	106.1	11.5	436.3
	1963		35.0	15.0	240.5	36.2	129.3	12.7	468.7
Fish and fish preparations	1961	03	33.6	13.8	59.3	68.0	65.1	7.7	247.5
	1962		32.4	14.3	69.6	82.6	74.5	8.6	282.0
	1963		35.2	18.1	68.0	98.8	88.2	10.4	318.7
Cereals and cereal preparations	1961	04	124.7	212.0	395.1	90.1	320.9	17.6	1,160.3
	1962		158.0	250.7	568.1	119.9	232.4	10.5	1,339.6
	1963		158.1	267.2	388.9	118.2	311.9	17.5	1,261.8
(Wheat and flour)	1961	041	34.7	61.4	199.0	56.7	171.0	5.3	528.1
	1962	046	27.5	67.9	228.3	54.0	36.4	2.1	416.3
	1963		40.4	53.8	133.6	59.5	24.3	3.7	315.3
(Rice)	1961	042	5.1	7.3	14.8	9.2	2/	1.5	37.9
	1962		6.6	10.0	21.0	12.5	.1	.4	50.5
	1963		4.5	7.9	19.3	8.7	.2	.8	41.4
(Coarse grains)	1961	043	75.4	134.6	151.7	15.7	142.8	9.1	529.3
	1962	044	112.8	162.0	284.6	42.1	188.1	6.2	795.8
	1963	045	101.4	194.5	199.7	35.0	277.4	10.9	818.9
Fruit and vegetables	1961	05	97.9	87.7	776.3	353.3	50.3	2.3	1,367.9
	1962		105.7	106.9	912.8	453.4	66.4	2.4	1,647.6
	1963		110.9	113.0	868.9	492.7	79.9	5.9	1,671.3
Sugar, sugar preparations, and honey	1961	06	7.4	15.9	29.4	68.4	3.9	10.7	135.7
	1962		8.6	16.0	45.1	77.9	3.9	8.1	159.6
	1963		18.8	41.3	89.7	77.0	92.2	12.3	331.3
Coffee, tea, cocoa, spices, etc.	1961	07	66.7	124.1	323.4	181.9	92.6	7.5	796.2
	1962		65.9	115.2	333.1	195.2	93.2	8.1	810.6
	1963		68.1	129.7	325.2	201.8	99.9	9.3	834.0
Animal feed	1961	08	39.9	77.5	106.8	44.3	17.9	1.8	288.1
	1962		57.3	99.7	164.3	89.1	27.5	2.7	440.7
	1963		53.9	111.0	179.9	91.9	54.5	3.7	494.9
(Oilseed cake and meal)	1961	081.3	16.0	33.4	69.1	32.7	4.2	.3	155.8
	1962		23.5	44.7	101.5	66.0	3.7	.5	240.0
	1963		22.0	47.7	113.7	71.5	15.1	.8	270.8
(Meatmeal and fishmeal)	1961	081.4	4.8	17.7	29.6	6.9	5.8	1.0	65.7
	1962		8.0	22.3	44.1	11.1	9.5	1.2	96.3
	1963		7.0	22.7	39.7	10.3	12.9	1.4	94.0

See footnotes at end of table.

Table 7.--Western Europe: Agricultural imports by country, European Economic Community, and total Western Europe, 1961, 1962, and 1963

United Kingdom	Norway	Sweden	Denmark	Austria	Switzerland	Portugal	Ireland	Spain	Finland	Total Western Europe
Million dollars										
146.9	.1	1.0	.7	4.6	5.2	.2	31.9	1.6	.1	471.8
129.6	.1	1.2	.8	6.9	6.3	.5	25.3	2.1	.1	423.8
141.3	.1	1.2	.7	8.8	6.0	.3	32.2	3.2	---	527.3
858.2	3.7	23.2	.6	10.1	42.0	5.3	.4	6.6	10.0	1,355.6
876.2	2.3	15.5	.7	10.0	54.7	2.9	.5	31.7	3.5	1,477.5
876.8	3.9	16.0	1.0	10.4	60.1	5.3	.6	51.5	1.2	1,718.1
439.9	1.0	7.6	2.1	8.9	28.8	.3	.2	3.6	.3	917.1
467.2	.8	6.9	2.4	10.6	26.7	.3	.3	8.6	---	960.2
523.2	1.2	6.7	4.5	13.4	31.2	.3	.3	15.0	---	1,064.5
120.4	2.5	25.5	10.1	9.2	14.7	8.5	2.0	4.7	4.1	449.2
169.2	3.4	28.3	18.0	9.7	17.2	7.5	2.8	5.6	5.4	549.1
140.2	4.1	31.0	18.3	10.2	17.9	7.5	2.5	9.7	6.1	566.2
593.0	34.8	24.9	44.8	35.5	71.7	26.0	25.8	107.0	15.5	2,139.4
682.0	41.1	32.4	73.7	49.9	86.3	23.5	23.5	92.9	24.1	2,469.1
605.5	40.0	37.4	40.8	42.7	80.7	23.7	26.3	100.4	41.4	2,300.7
319.4	22.4	8.0	3.5	4.0	33.3	19.1	18.5	70.7	9.3	1,036.1
330.1	24.7	8.9	4.1	6.1	37.0	19.3	10.1	66.7	14.5	936.2
322.2	21.0	14.7	1.7	4.1	28.0	13.5	17.1	13.5	28.6	779.7
12.4	.7	1.6	.8	4.7	4.1	1.9	.3	---	1.4	65.9
17.2	1.0	2.0	1.1	5.2	5.3	.5	.4	---	2.2	85.4
16.3	1.0	1.7	1.1	5.3	5.0	3.5	.4	---	1.6	77.3
252.1	10.6	9.0	39.0	25.9	24.6	4.3	5.2	35.8	4.5	940.3
324.8	13.4	14.2	66.0	37.2	32.7	3.1	11.1	25.3	7.2	1,330.8
254.5	15.7	12.1	33.6	31.4	35.4	6.1	6.7	84.9	10.8	1,310.1
705.7	37.7	96.6	29.8	48.4	102.3	3.1	20.9	8.5	29.7	2,450.7
824.9	46.2	119.5	39.9	61.5	121.1	2.7	22.8	12.8	35.4	2,934.4
791.3	46.9	124.8	40.6	62.5	126.0	6.8	25.1	21.6	37.2	2,954.1
212.4	18.5	5.3	2.2	4.1	23.4	17.1	4.4	4.3	12.4	439.9
179.2	17.5	8.9	4.4	8.6	20.4	18.0	4.6	3.9	12.7	438.0
485.6	38.0	21.5	9.1	9.2	31.7	16.9	7.2	51.1	22.7	1,024.3
468.0	28.2	80.4	42.0	23.9	50.8	6.7	22.4	14.5	32.7	1,565.8
475.2	30.5	81.1	43.2	23.3	45.7	6.3	21.4	18.0	34.4	1,589.8
479.5	31.8	81.8	46.6	25.0	48.2	8.0	24.4	25.1	36.4	1,640.8
151.4	8.2	25.0	60.2	7.2	8.4	1.0	10.9	9.2	6.4	576.1
190.4	13.3	30.3	64.0	9.2	14.5	1.6	14.9	16.3	6.8	802.0
174.9	15.0	37.9	73.9	11.5	22.3	2.0	13.9	34.9	12.3	893.5
93.3	8.0	17.5	53.2	3.7	1.8	.1	4.7	6.2	3.7	347.9
113.9	12.5	20.8	57.6	4.5	3.3	.3	5.9	6.5	3.1	468.3
107.9	14.0	24.8	67.6	5.7	6.8	.3	6.4	19.5	8.3	532.1
31.0	2/	2.9	4.7	3.1	3.0	.1	.6	2.2	2.3	115.8
43.1	2/	3.5	3.5	4.3	4.2	.3	1.1	9.0	3.1	168.4
41.6	2/	4.1	3.4	4.7	4.2	.4	1.3	13.3	1.5	168.5

Continued--

Table 7.--Western Europe: Agricultural imports by country, European Economic Community, and total Western Europe, 1961, 1962, and 1963--Continued

Commodity and year		SITC		European Economic Community							Total
		Major head- ings	Sub- head- ings	Belgium- Luxem- bourg	Nether- lands	West Germany	France	Italy	Greece		
			1/								
				Million dollars							
Miscellaneous food preparations	1961	09	:	10.7	15.6	11.3	2.1	2.3	.4	42.4	
	1962	:	:	11.4	10.5	13.7	3.0	3.5	.7	42.9	
	1963	:	:	14.4	14.0	12.7	3.0	6.9	.6	51.6	
(Lard)	1961	:	:091.3:	2.2	12.5	6.1	2/	2/	---	20.7	
	1962	:	:	2.1	7.1	5.4	2/	2/	---	14.6	
	1963	:	:	2.6	9.1	4.5	.1	.3	---	16.6	
(Margarine and shortening)	1961	:	:091.4:	.3	.3	.1	.6	.1	.1	1.5	
	1962	:	:	.5	.4	.3	1.2	.1	.3	2.7	
	1963	:	:	.6	.8	.5	.4	.1	.2	2.6	
Beverages	1961	11	:	35.7	14.2	61.4	265.1	9.2	.3	385.8	
	1962	:	:	37.8	16.5	90.1	297.2	11.5	.4	453.4	
	1963	:	:	44.4	19.7	97.4	202.2	15.0	.6	379.3	
(Nonalcoholic)	1961	:	: 111 :	2.5	.6	.5	.2	2/	2/	3.9	
	1962	:	:	2.7	.7	1.3	.2	.1	2/	4.9	
	1963	:	:	2.7	.9	1.2	.2	.1	2/	5.1	
(Wine)	1961	:	:112.1:	21.1	9.2	50.5	247.8	3.1	.1	331.7	
	1962	:	:	20.5	10.3	70.4	273.6	3.8	2/	378.7	
	1963	:	:	23.8	12.3	75.2	172.3	5.7	.1	289.4	
Tobacco, unmanufactured	1961	121	:	26.4	56.1	120.7	33.1	9.9	2/	246.1	
	1962	:	:	24.8	34.6	186.4	34.7	37.0	2/	317.6	
	1963	:	:	28.8	46.1	165.2	37.2	35.1	2/	313.4	
Hides and skins	1961	21	:	22.6	30.2	137.6	99.6	86.0	4.6	380.6	
	1962	:	:	24.9	26.2	139.0	104.8	90.0	4.5	389.3	
	1963	:	:	24.5	24.4	147.6	126.7	96.7	5.4	425.3	
Oil-seeds, oil nuts and oil kernels	1961	22	:	36.7	97.9	189.0	158.0	68.1	3.6	553.3	
	1962	:	:	41.0	98.2	199.3	155.2	77.5	1.7	572.9	
	1963	:	:	34.4	96.5	205.2	167.6	98.4	3.5	605.6	
(Soybeans)	1961	:	:221.4:	9.1	26.7	93.8	8.8	22.5	---	160.9	
	1962	:	:	11.7	36.1	107.0	14.6	33.2	---	202.8	
	1963	:	:	10.3	32.3	115.5	15.4	34.6	---	208.1	
Natural rubber	1961	:231.1:	:	10.8	13.0	85.7	77.8	48.5	1.7	237.5	
	1962	:	:	8.7	12.2	83.8	72.0	47.5	1.9	226.1	
	1963	:	:	9.2	11.5	85.0	71.8	50.3	2.2	230.0	
Natural fibers	1961	:261-:	:	272.4	122.7	432.7	490.4	408.4	19.4	1,746.0	
	1962	:265:	:	282.8	111.0	422.9	459.7	441.3	19.3	1,737.0	
	1963	:	:	279.5	128.5	445.5	496.1	462.9	23.9	1,836.4	
(Raw cotton)	1961	:	:263.1:	61.0	55.6	201.9	198.3	162.3	1.2	680.1	
	1962	:	:	53.2	45.7	188.2	167.4	148.5	.5	603.6	
	1963	:	:	49.7	49.6	181.1	177.6	146.4	1.4	605.8	
Crude animal and vegetable materials, n.e.s.	1961	29	:	21.7	25.4	172.8	63.3	31.7	1.5	316.5	
	1962	:	:	22.3	25.2	193.9	69.6	35.0	2.0	348.1	
	1963	:	:	21.1	29.6	189.7	78.1	39.4	2.0	359.9	

Table 7.--Western Europe: Agricultural imports by country, European Economic Community, and total Western Europe, 1961, 1962, and 1963--Continued

United Kingdom	Norway	Sweden	Denmark	Austria	Switzerland	Portugal	Ireland	Spain	Finland	Total Western Europe
Million dollars										
51.7	.7	4.9	2.1	1.8	2.3	1.5	1.9	.8	1.0	111.3
53.9	1.2	5.7	2.7	1.8	2.7	1.2	2.2	1.2	1.5	117.0
56.9	1.4	7.0	3.0	1.3	2.3	1.2	2.6	1.6	2.7	131.6
44.3	2/	2/	2/	2/	.7	.3	n.a.	.1	n.a.	66.2
44.1	2/	2/	2/	2/	n.a.	2/	n.a.	.1	n.a.	58.8
46.4	2/	2/	---	2/	.3	.1	.1	.2	n.a.	63.7
1.2	2/	1.3	2/	.3	.1	2/	n.a.	.6	n.a.	5.0
1.2	2/	1.3	2/	.3	n.a.	2/	n.a.	.8	.3	6.6
1.7	.1	1.3	2/	.3	.1	2/	.1	.8	n.a.	7.0
131.4	4.8	19.9	9.9	8.3	31.6	.5	6.4	1.5	5.2	605.3
126.9	5.1	21.5	11.2	7.7	37.6	.5	7.5	2.2	7.0	680.5
143.7	5.6	22.6	12.2	10.1	43.1	.4	8.7	3.5	5.5	634.7
.3	2/	.1	.1	2/	1.2	2/	.1	2/	.9	6.6
.3	2/	.1	.1	2/	1.4	2/	2/	2/	.1	6.8
.4	2/	.1	.1	.1	1.7	2/	2/	2/	2/	7.5
71.6	2.3	10.2	5.6	7.1	25.8	.1	2.2	.1	1.8	458.6
69.2	2.5	10.9	6.2	6.2	30.4	.1	2.4	.2	2.3	509.0
78.7	2.3	10.6	6.1	8.1	34.3	.1	2.6	.2	2.2	434.6
276.4	7.3	19.2	27.1	6.5	24.3	5.8	12.4	23.7	9.1	658.0
220.7	9.4	15.9	27.1	10.6	26.3	5.9	13.3	23.4	8.9	679.1
273.1	9.0	15.1	27.5	12.6	28.6	6.6	12.0	20.3	10.5	728.7
131.3	3.3	16.3	4.5	9.2	5.4	4.0	1.4	8.5	5.9	570.3
130.0	4.2	19.9	3.8	7.7	5.7	2.6	1.8	19.3	5.6	589.8
164.8	5.5	21.4	6.2	8.8	5.0	3.8	2.0	21.1	5.5	669.4
137.0	13.5	15.6	41.7	3.3	23.5	11.9	1.9	5.3	6.4	813.5
149.5	15.7	7.9	47.8	3.7	19.3	10.0	1.5	13.2	8.3	849.8
146.7	14.7	12.3	51.3	3.2	17.3	18.3	2.3	9.0	10.0	890.7
19.0	7.0	.3	30.9	2/	---	.3	---	2/	1.1	219.4
24.7	7.6	1.2	36.8	2/	---	.3	---	2/	2.9	276.3
29.5	7.9	2/	38.8	2/	---	2/	---	1.8	5.8	291.9
175.6	2.8	13.8	3.6	6.7	4.7	4.2	2.0	14.7	3.6	469.4
142.1	3.0	14.4	3.1	6.4	4.6	2.3	1.9	21.2	n.a.	425.0
116.2	3.0	13.9	3.2	6.2	4.8	3.2	1.9	19.5	4.4	406.3
669.0	11.9	40.9	24.4	54.8	76.7	63.1	19.9	72.6	21.9	2,801.2
646.5	11.9	37.8	24.4	48.4	72.4	60.9	20.6	79.6	22.1	2,761.6
716.9	14.1	37.1	26.3	54.4	79.1	71.2	21.3	33.5	23.7	2,914.0
154.2	3.0	18.3	6.5	20.0	34.5	43.6	4.2	48.5	10.5	1,023.4
146.2	3.0	15.2	6.1	17.9	29.8	42.7	4.4	49.3	11.0	929.1
147.1	2.7	12.6	6.7	16.2	29.4	46.2	3.6	3.5	11.0	884.8
119.3	8.8	28.9	14.1	13.5	24.8	2.7	4.6	4.4	8.1	545.7
121.4	7.8	31.8	15.3	14.6	27.3	3.0	5.0	6.2	8.4	588.7
129.2	8.1	34.1	17.4	15.2	28.5	3.9	3.9	9.6	11.6	621.4

N.A.--Not available.

Continued--

Table 7. --Western Europe: Agricultural imports by country, European Economic Community, and total Western Europe, 1961, 1962, and 1963--Continued

Commodity and year	SITC		European Economic Community							Total
	Major	Sub	Belgium-	Nether-	West	France	Italy	Greece		
	head- ings	head- ings	Luxem- bourg	lands	Germany					
		1/								
Million dollars										
Animal and vegetable oils and fats	1961	4	27.1	57.5	146.8	102.5	99.2	7.2	440.4	
	1962		24.1	42.9	130.0	98.5	108.3	3.0	406.6	
	1963		28.3	54.4	139.2	102.0	149.7	3.6	477.2	
(Fish and marine oils)	1961	411.1	4.6	15.2	24.9	6.7	2.4	.3	54.1	
	1962		2.7	9.8	17.2	6.5	2.4	.2	38.8	
	1963		3.9	12.6	19.6	5.4	2.1	.2	43.8	
(Animal and vegetable oils and fats processed)	1961	431	2.0	2.4	5.6	7.6	5.9	.3	23.8	
	1962		2.1	2.8	5.8	7.7	6.4	.3	25.0	
	1963		2.5	3.7	5.3	8.9	7.5	.3	28.2	
Agricultural fats and oils 3/	1961		23.0	52.7	122.5	88.8	91.0	6.7	384.7	
	1962		21.8	37.8	112.6	85.5	99.5	2.9	360.2	
	1963		25.1	48.0	119.3	88.2	140.5	3.3	424.4	
Total agricultural 4/	1961		837.3	952.3	3,550.4	2,106.0	1,439.3	117.1	9,002.5	
	1962		903.0	962.7	4,034.6	2,292.8	1,534.9	101.1	9,829.1	
	1963		937.4	1,166.9	3,829.2	2,426.1	2,099.1	134.0	10,514.7	
Total imports	1961		4,230.8	5,112.0	10,940.9	6,675.9	4,256.5	714.1	31,930.3	
	1962		4,577.4	5,347.5	12,279.5	7,514.8	6,097.8	701.3	36,518.3	
	1963		5,126.4	5,967.1	13,018.8	8,724.4	7,581.2	804.3	41,222.2	

Table 7.--Western Europe: Agricultural imports by country, European Economic Community, and total Western Europe, 1961, 1962, and 1963--Continued

United Kingdom	Norway	Sweden	Denmark	Austria	Switzerland	Portugal	Ireland	Spain	Finland	Total Western Europe
Million dollars										
142.0	11.0	19.2	9.3	20.5	16.2	6.2	4.5	46.1	4.5	719.8
116.6	12.3	21.7	8.4	18.7	16.3	3.5	4.3	70.0	2.6	680.9
123.1	15.0	21.8	8.7	18.6	15.6	6.1	4.3	82.4	2.5	775.3
30.0	6.9	6.2	3.7	.3	.4	2/	.9	.3	.4	103.2
24.0	8.0	5.4	2.7	.2	.5	2/	.7	.9	.4	81.7
25.6	11.3	7.6	2.7	.2	.5	2/	.2	1.1	.4	93.4
6.5	.5	3.1	1.0	5.4	2.8	.4	.5	.8	1.0	45.9
5.5	.7	2.8	1.4	4.9	2.9	.4	.6	1.6	.8	46.7
8.8	.9	2.6	1.9	3.3	2.6	.6	1.2	1.5	.7	52.3
150.9	3.6	11.2	4.6	15.1	13.9	6.1	3.1	45.8	3.0	642.0
132.3	3.6	14.7	4.3	13.8	12.9	3.1	3.0	68.3	1.7	618.0
136.8	2.9	12.9	4.1	15.4	12.9	5.6	3.1	80.8	1.4	700.3
5,282.2	186.4	421.1	305.4	257.5	531.4	158.7	166.0	328.3	166.4	16,805.9
5,402.1	211.1	450.1	360.1	288.6	574.3	144.5	164.1	409.0	172.5	18,005.5
5,808.1	237.8	486.4	359.0	303.8	616.1	176.7	180.2	484.1	221.7	19,388.6
12,314.3	1,614.4	2,918.1	1,864.1	1,484.8	2,693.3	655.9	732.1	1,092.0	1,153.2	58,452.6
12,577.3	1,654.9	3,111.7	2,116.9	1,551.8	3,000.6	585.4	767.9	1,569.5	1,227.7	64,682.1
13,496.2	1,821.7	3,386.4	2,113.1	1,675.3	3,234.7	656.2	857.8	1,955.1	1,208.4	71,627.1

1/ Since these are components of major headings, their values are not duplicated in totals.

2/ Less than \$50,000.

3/ Agricultural fats and oils is the sum of 091.3 (Lard), 091.4 (Margarine and shortening), and 4 (Oils and fats) minus 411.1 (Fish and marine oils) and 431 (Processed oils and fats).

4/ Total agricultural is the sum of all major headings except 03 (Fish) and 11 (Beverages) plus 111 (Nonalcoholic beverages) and 112.1 (Wine), minus 081.4 (Meatmeal and fishmeal) and 411.1 (Fish and marine oils), and 431 (Processed oils and fats).

Compiled from O.E.C.D. Statistical Bulletin, Foreign Trade, Series B and C, 1961, 1962, and 1963 and other official sources. SITC is the Standard International Trade Classification, Revised.

Table 8.--Western Europe: Agricultural exports by country, European Economic Community, and total Western Europe, 1961, 1962, and 1963

Commodity and year	SITC number		European Economic Community							
	Major head- ings	Sub- head- ings 1/	Belgium- Luxem- bourg	Nether- lands	West Germany	France	Italy	Greece	Total	
			Million dollars							
Live animals	1961	00	9.8	32.9	9.5	29.5	1.6	.1	83.3	
	1962		7.7	18.1	12.4	28.4	.9	.3	67.8	
	1963		21.6	27.1	26.5	39.4	1.3	.5	116.4	
Meat and meat preparations	1961	01	14.7	192.7	16.4	106.1	12.7	2/	342.5	
	1962		20.4	202.9	15.4	121.0	14.5	2/	374.3	
	1963		33.2	263.3	19.3	99.7	16.7	.2	432.4	
Dairy products and eggs	1961	02	27.3	316.6	11.2	121.6	28.4	.8	505.9	
	1962		34.5	320.5	15.5	100.0	31.0	.4	501.9	
	1963		38.6	330.6	17.5	127.2	32.3	.4	546.6	
Fish and fish preparations	1961	03	5.2	45.9	18.4	18.8	2.3	.4	90.9	
	1962		7.1	50.8	18.4	16.3	2.2	.5	95.3	
	1963		8.0	48.7	23.2	15.4	2.5	.7	98.5	
Cereals and cereal preparations	1961	04	25.9	45.6	64.0	247.1	40.2	2/	422.8	
	1962		37.4	55.2	64.9	232.1	49.4	2/	439.2	
	1963		57.2	63.6	64.8	356.7	57.2	.1	599.6	
(Wheat and flour)	1961	041	2.6	1.7	42.1	91.4	4.3	---	142.1	
	1962	046	5.7	1.5	42.6	136.2	10.5	---	196.4	
	1963		13.1	1.8	37.6	190.6	14.6	---	257.7	
(Coarse grains)	1961	043	.7	14.5	10.4	125.3	1.3	---	152.2	
	1962	044	3.8	24.2	9.7	65.1	2.2	---	105.0	
	1963	045	10.2	31.1	11.4	135.6	10.0	---	198.3	
Fruits and vegetables	1961	05	43.0	218.3	19.7	114.5	449.4	52.7	897.7	
	1962		68.4	267.5	25.4	126.4	510.7	63.3	1,061.5	
	1963		76.0	272.5	28.9	120.7	471.3	66.9	1,036.3	
Sugar, sugar preparations, and honey	1961	06	17.3	21.3	5.4	116.4	3.7	.2	164.2	
	1962		13.8	18.6	12.0	94.3	5.0	.3	144.0	
	1963		17.5	19.3	6.6	153.5	7.6	.4	204.9	
Coffee, tea, cocoa, spices, etc.	1961	07	10.4	81.2	11.0	15.5	12.3	.2	130.6	
	1962		12.0	83.4	10.0	14.1	11.7	2/	131.4	
	1963		13.6	86.0	11.6	12.4	13.1	.1	138.8	
Animal feed	1961	08	11.4	32.7	31.2	26.1	4.8	2/	106.1	
	1962		13.5	41.3	24.1	23.2	9.0	2/	111.1	
	1963		11.3	45.7	33.4	34.3	8.2	.2	133.1	
(Oilseed cake and meal)	1961	081.3	5.7	18.6	23.0	7.3	2.4	---	57.0	
	1962		7.6	21.5	18.9	3.7	6.6	---	58.2	
	1963		4.3	21.1	21.2	6.6	5.5	.2	58.9	
(Meatmeal and fishmeal)	1961	081.4	1.5	1.2	.4	1.7	2/	---	4.8	
	1962		1.8	1.6	.5	1.3	2/	---	5.2	
	1963		1.5	1.2	.7	2.3	2/	---	5.7	
Miscellaneous food preparations	1961	09	6.2	46.2	5.3	23.9	4.5	2/	86.1	
	1962		8.8	47.2	7.4	18.0	5.0	2/	86.4	
	1963		12.7	51.0	8.5	17.4	3.7	2/	93.3	

See footnotes at end of table.

Table 8.--Western Europe: Agricultural exports by country, European Economic Community, and total Western Europe, 1961, 1962, and 1963

United Kingdom	Norway	Sweden	Denmark	Austria	Switzerland	Portugal	Ireland	Spain	Finland	Total Western Europe
Million dollars										
55.3	.1	6.7	89.3	25.9	3.8	.1	143.8	2.1	.1	410.5
47.4	.1	3.7	71.9	28.9	3.9	.1	123.5	1.9	.2	349.4
58.9	2/	2.8	79.7	40.1	5.9	.7	134.5	5.9	.2	445.1
12.8	4.6	13.4	371.1	2.2	1.2	.8	94.6	1.3	1.1	845.5
12.9	6.7	22.3	404.6	2.3	1.2	.6	89.7	1.2	1.1	917.0
21.2	7.3	25.5	466.4	4.8	1.4	.7	94.7	1.0	1.3	1,056.7
20.0	9.7	12.8	217.0	13.3	44.6	2.8	18.3	.1	29.4	873.9
19.7	9.6	19.8	211.1	15.4	43.6	2.2	22.7	.3	24.4	870.5
24.6	11.3	20.5	214.1	18.1	46.4	3.0	31.9	.1	33.0	949.6
17.8	101.7	9.6	60.1	.3	.6	42.7	3.4	21.9	.1	349.0
19.8	116.2	9.2	70.3	.3	.6	44.4	4.6	26.2	.2	387.1
21.5	117.7	9.3	74.1	.3	.7	44.5	4.8	26.1	---	397.5
52.9	1.3	31.2	19.6	4.1	4.9	.7	9.7	10.7	5.5	563.3
64.0	3.1	28.7	23.8	7.3	5.1	.9	4.8	7.1	7.2	591.1
63.6	1.3	28.4	30.3	1.2	5.5	.7	10.4	6.0	4.6	751.6
.8	2/	13.1	2.9	2.8	2/	2/	7.3	1.1	1.5	171.7
.9	2/	8.6	.3	5.7	.1	---	1.7	1.2	4.9	219.8
10.4	2/	12.4	5.6	---	.1	---	3.1	---	3.7	293.0
9.5	.6	13.4	6.9	.3	2/	2/	.1	2/	.8	183.8
22.1	2.1	13.7	13.6	.5	2/	2/	.4	.1	2.0	159.5
11.5	2/	9.4	13.2	.3	2/	2/	4.3	.1	.5	237.6
26.1	.4	6.7	11.6	3.3	7.2	13.7	4.7	241.5	.8	1,213.6
25.7	1.3	7.2	16.7	3.3	6.2	16.0	8.2	283.4	.3	1,429.8
25.3	.4	9.3	18.3	2.5	8.1	18.4	7.9	242.8	.1	1,369.4
59.8	.3	.8	4.2	1.8	1.1	2/	3.3	2.1	.2	237.8
56.0	.3	1.3	5.6	1.1	1.4	2/	4.8	1.8	.3	216.7
108.4	.4	1.8	16.6	.8	1.6	.1	8.4	3.5	.3	346.8
31.0	.2	1.6	1.0	.7	19.7	.3	17.4	3.9	2/	206.5
32.3	.4	2.6	1.2	.7	20.9	.4	17.1	4.4	2/	211.4
33.8	.5	2.7	1.6	.9	22.2	.3	15.9	7.4	.1	224.2
6.1	17.7	.3	14.2	.6	.3	1.6	2.4	.2	.3	149.9
9.2	9.9	.6	22.8	1.1	.7	1.1	3.3	2.4	.3	162.4
11.1	15.3	.8	24.2	1.9	.2	3.0	4.2	1.2	---	195.0
1.9	.6	.2	7.2	.2	.2	.5	n.a.	2/	---	67.7
3.5	.1	2/	10.7	.1	.6	2/	n.a.	---	.2	73.5
n.a.	.5	.2	11.2	.1	.1	1.8	.3	2/	---	73.1
.5	16.5	2/	4.9	2/	n.a.	.9	.1	---	---	27.7
.5	9.2	2/	9.0	2/	n.a.	.6	.1	---	2/	24.8
n.a.	14.4	.1	8.4	2/	2/	.6	.4	---	---	29.6
24.7	3.3	2.0	5.4	.6	9.9	.4	1.8	2/	2/	134.4
24.6	3.4	2.1	6.0	.6	9.6	.7	1.7	.1	2/	135.3
25.5	3.5	2.3	6.3	1.0	12.4	.9	2.1	.1	---	147.4

N.A.-- Not available.

Continued--

Table 8. --Western Europe: Agricultural exports by country, European Economic Community, and total Western Europe, 1961, 1962, and 1963--Continued

Commodity and year	SITC		European Economic Community							
	number									
	Major head-ings	Sub head-ings	Belgium-Luxembourg	Netherlands	West Germany	France	Italy	Greece	Total	
		1/								
			Million dollars							
Beverages	1961	11	5.0	29.4	34.3	231.0	47.8	3.0	350.5	
	1962		8.4	28.5	33.2	245.1	55.8	3.5	374.5	
	1963		11.6	27.9	35.1	267.9	62.5	4.1	409.1	
(Nonalcoholic)	1961	111	.4	2.7	.7	9.3	.5	2/	13.6	
	1962		.6	3.0	.7	9.0	.7	2/	14.0	
	1963		.9	2.9	.8	9.1	.8	2/	14.5	
(Wine)	1961	112.1	.7	.8	12.7	117.2	44.2	2.4	178.1	
	1962		2.0	.3	11.8	137.3	51.6	2.9	205.9	
	1963		3.4	.4	13.0	152.6	58.1	3.5	231.0	
Tobacco, unmanufactured	1961	121	1.9	3.8	.1	6.0	18.0	82.9	112.6	
	1962		2.3	3.8	1.5	5.5	21.1	71.4	105.6	
	1963		2.5	4.4	1.6	4.9	15.2	118.1	146.7	
Hides and skins	1961	21	9.3	23.5	23.8	37.7	17.4	11.0	122.8	
	1962		11.1	22.6	26.3	37.3	16.4	10.3	123.9	
	1963		11.1	21.7	27.1	37.5	13.7	11.0	122.1	
Oil-seeds, oil nuts and oil kernels	1961	22	2.9	7.1	.9	5.7	.8	.1	17.4	
	1962		3.1	5.6	.8	11.8	.7	.2	22.2	
	1963		4.3	7.5	1.1	13.0	.8	.3	27.0	
Natural rubber	1961	231.1	1.9	.2	.6	.3	.2	---	3.2	
	1962		1.1	.2	.6	.2	.1	---	2.3	
	1963		1.1	.3	.3	.4	.1	---	2.2	
Natural fibers	1961	261-	128.9	36.4	37.3	141.5	15.1	25.4	384.6	
	1962	265	141.5	35.9	40.5	137.6	15.1	42.1	412.6	
	1963		155.6	43.3	42.4	161.1	19.1	32.9	454.4	
Crude animal and vegetable materials, n.e.s.	1961	29	22.8	130.7	27.1	34.7	37.1	4.1	256.4	
	1962		25.4	148.2	29.8	36.1	43.6	5.0	288.0	
	1963		25.4	154.5	34.9	34.7	40.5	3.7	293.7	
Animal and vegetable oils and fats	1961	4	13.7	44.0	36.1	25.0	11.3	.2	130.3	
	1962		13.7	50.3	36.5	23.8	10.8	5.9	141.0	
	1963		12.2	46.4	39.1	24.2	10.7	3.5	136.1	
Agricultural oils and fats 3/	1961		13.4	58.3	21.3	35.2	11.5	.2	139.8	
	1962		14.6	62.8	21.8	30.3	10.8	5.9	146.0	
	1963		12.2	60.2	23.0	29.7	10.0	3.5	138.6	
Total agricultural 4/	1961		344.7	1,219.1	296.9	1,173.1	701.7	180.2	3,915.6	
	1962		412.9	1,308.3	319.2	1,152.4	797.1	202.0	4,191.7	
	1963		494.3	1,427.2	359.2	1,393.5	769.6	241.8	4,685.6	
Total exports	1961		3,935.4	4,306.8	12,687.2	7,208.1	4,215.1	223.3	32,575.9	
	1962		4,344.4	4,584.6	13,263.6	7,359.2	4,698.0	248.6	34,498.5	
	1963		4,852.8	4,961.8	14,615.6	8,079.6	5,074.7	290.1	37,874.1	

1/ Since these are components of major headings, their values are not duplicated in totals. 2/ Less than \$50,000. 3/ Agricultural fats and oils include lard, margarine and shortening and all other oils and fats except marine and processed. 4/ Total agricultural is the sum of all major headings except 03 (Fish) and 11 (Beverages) plus 111 (Nonalcoholic beverages) and 112.1 (Wine), minus 081.4 (Meatmeal and fishmeal), Marine oil, and Processed oils and fats.

Table 8.--Western Europe: Agricultural exports by country, European Economic Community, and total Western Europe, 1961, 1962, and 1963--Continued

United Kingdom	Norway	Sweden	Denmark	Austria	Switzerland	Portugal	Ireland	Spain	Finland	Total Western Europe
Million dollars										
239.5	.3	.4	18.1	1.7	1.1	27.7	20.8	31.4	2/	691.5
258.2	.4	.4	18.4	1.1	1.3	28.4	20.3	34.2	.1	737.3
271.9	.8	.5	21.0	1.2	1.7	32.1	20.8	38.9	.1	798.1
4.9	2/	.1	.4	.1	.1	.2	.1	2/	---	19.5
4.8	2/	.1	.4	.1	.1	.2	.1	2/	---	20.0
5.6	2/	.1	.5	.1	.1	.2	.1	.1	---	21.3
1.2	2/	2/	.4	1.2	.4	26.8	n.a.	29.3	---	237.2
1.1	---	2/	.1	.4	.4	27.5	---	31.6	2/	267.0
1.0	---	2/	.5	.4	.5	30.7	n.a.	36.5	---	300.6
2/	2/	2/	.2	.5	2/	---	2/	---	---	113.4
2/	2/	.1	.2	.3	.1	---	---	---	---	106.3
2/	2/	2/	.6	.1	2/	---	---	.1	---	147.5
11.6	19.6	27.2	25.0	4.7	8.9	.2	3.5	6.2	12.4	242.1
13.9	23.3	28.5	28.9	2.6	8.4	.5	2.8	6.2	13.9	253.1
12.0	25.6	32.1	30.7	2.6	7.8	.4	3.6	5.9	14.6	257.4
.3	---	1.0	6.0	.7	2/	---	---	.1	---	25.6
.2	---	2.1	3.7	.2	2/	2/	n.a.	.2	---	28.7
.2	---	3.8	5.9	.3	2/	2/	---	.5	---	37.7
n.a.	2/	1.0	2/	---	2/	2/	n.a.	---	---	4.2
n.a.	2/	1.2	2/	---	2/	2/	n.a.	---	---	3.6
---	---	1.2	2/	---	2/	2/	n.a.	---	---	3.4
204.4	1.2	10.4	2.6	1.7	7.0	2.1	14.9	2.6	.1	631.6
177.6	1.5	2.4	2.5	1.8	7.1	3.1	15.3	5.7	.2	629.7
218.3	1.8	3.6	2.5	2.1	8.2	2.5	17.8	13.1	---	724.2
11.0	3.3	3.8	43.1	1.9	3.7	2.5	3.2	8.2	1.7	338.8
10.9	3.0	4.0	43.5	2.2	4.1	2.9	2.6	9.0	1.3	371.5
9.4	3.3	4.3	49.9	2.4	4.5	3.0	2.1	10.4	1.5	384.5
17.2	37.5	9.1	16.2	.4	2.3	4.9	1.7	68.3	1.6	289.4
18.8	29.9	11.0	19.0	.4	2.0	12.5	1.6	44.9	1.0	282.1
22.4	28.9	11.2	21.5	.6	2.3	6.4	1.8	49.1	2.0	282.3
15.1	3.7	6.0	15.2	.3	2.2	3.7	1.5	67.7	1.4	256.6
17.0	3.9	7.9	17.8	.3	1.1	11.0	1.9	44.8	.3	252.1
19.4	3.5	7.4	19.2	.8	2.4	4.9	2.0	48.7	1.4	248.1
531.9	45.9	124.1	816.9	63.5	113.9	54.9	319.2	376.2	53.2	6,415.3
512.2	54.3	133.5	847.0	68.8	114.0	66.2	297.8	400.3	49.4	6,735.2
633.5	57.1	145.8	954.2	79.9	126.2	68.5	334.6	383.2	57.1	7,525.7
10,310.7	929.2	2,734.9	1,513.7	1,202.4	2,028.9	326.0	490.4	698.3	1,054.4	53,864.8
10,610.3	973.2	2,920.3	1,625.2	1,263.5	2,200.1	369.8	472.9	736.0	1,104.1	56,773.9
11,423.9	1,073.6	3,199.5	1,864.1	1,325.9	2,401.7	418.1	535.6	735.6	1,149.4	62,000.9

Compiled from O.E.C.D. Statistical Bulletin, Foreign Trade, Series B and C, 1961, 1962, and 1963 and other official sources. SITC is the Standard International Trade Classification, Revised.

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